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# Sales Management The Weekly Magazine for Marketing Executives

P. D. Saylor

President, Canada Dry Ginger Ale, Inc., New York City, Who Addressed the A. N. P. A. at Their Chicago Meeting this Week

Business Paper Publishers Discuss Problems of Industry at Chicago Meeting

> Detroit Edison Blazes New Trail in the Stove Industry

# "Get this note to the Editor ... maybe he can help us"



The SCRIPPS-HOWARD Newspapers indulge in no maudlin sentiment about the criminal. They neither glorify his deeds, nor awaken misplaced sympathy for him, through sensational journalism.

But they also believe that the State's concern with a criminal extends far beyond conviction. That the criminal is entitled to fair prison treatment, just as he is entitled to a fair trial. And that over-crowding, graft, and cruelty are too barbarous to remain within the code of any civilized State.

So when the editor of a Southern SCRIPPS-HOWARD Newspaper began to hear, mainly through smuggled letters, of particularly bad conditions in the State prison . . . his paper urged an investigation. It was made. But it resulted in a complete whitewash for the warden and the prison board! Again the Scripps-Howard paper took up the cause. Another investigation was made. Another report was published. Finally, under pressure of public opinion, the Board of Welfare took decisive action.

proval of the State Legislature for a new and modern penitentiary costing three million dollars.

Several SCRIPPS-HOWARD Newspapers are still urging reforms in the system that produced three deadly prison riots in one month last summer. And many other SCRIPPS-HOWARD Newspapers are helping to prevent prison abuses . . . to protect people from the danger of wholesale escapes . . . to keep the conscience of the good citizen clear, and his pride in his State unhurt by medieval penal methods.



# SCRIPPS · HOWARD NEWSPAPERS MEMBERS OF THE AUDIT BUREAU OF CIRCULATIONS .... OF THE UNITED PRESS AND OF MEDIA RECORDS, INC.

NATIONAL ADVERTISING DEPT., Stuart S. Schuyler, DIRECTOR, 230 PARK AVE., NEW YORK, CHICAGO, SAN FRANCISCO, DETROIT, LOS ANGELES, ATLANTA, PHILADELPHIA BUFFALO. DALLAS

A BOOK PAGE

DOESN'T HAVE TO WEAR A HIGH HAT

(Nor is the alternative,

necessarily, a brown derby)

When book pages vore high hats and book critics were polysyllabic and profound, the chief aim of literary criticism seemingly was to discourage writing folk from writing books and average folk from reading 'em. Nothing post-Miltonian ever got a break.

There seems to be a refreshingly new critical outlook these days, and in Chicago Howard Vincent O'Brien, book editor of The Daily News, is its chief exponent.

Neither too grave nor frivolous ... caustic nor too kind ... high hat nor low brow ... the modern critic seeks a golden mean of aim and style ... directs his appeal to that increasing public of average readers whose whims and habits, in the final analysis, dictate the form and style of nearly all written things.

The result in The Chicago Daily News is a daily column and weekly section bright, zestful, newsy . . . authoritative and in good taste, always, but never dull. Indeed The Daily News book pages under Mr. O'Brien's editorship are so well worth reading for their text alone that they are winning daily a larger and more loyal following among the general readers.

THE CHICAGO DAILY NEWS

Chicago's Home Newspaper

Advertising Representatives

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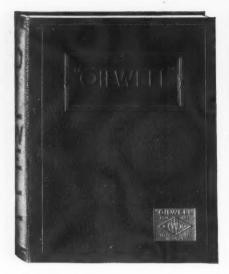
INC.

DALLAS

NEW YORK J. B. Woodward 110 E. 42d St. DETROIT
Joseph R. Scolaro
3-241 General Motors Bldg.

SAN FRANCISCO C. Geo. Krogness 303 Crocker 1st Nat. Bank Bldg. ATLANTA
A. D. Grant
711-712 Glenn Bldg.

Member of The 100,000 Group of American Cities



#### Even London Waxes Enthusiastic!

Even conservative London reacted with enthusiasm when this flexible Molloy Made Loose-Leaf Binder was received, as shown by the following comment from the manager of Oilwell's London Office:

"The striking orange colored back is excellent—the limp cover is also a big improvement. There is, however, such a unique and practical feature in the fastening arrangement, which is much in front of anything we have seen in bulletin covers. Usually the effect is that the reading matter will not open flat but forms an awkward hump, whereas, even with the full complement of bulletins, this cover opens in a most satisfactory manner.

#### MOLLOY MADE

#### Loose-Leaf Binders

Your branch managers-your dealers your salesmen or your customers—all will respond to the quality appeal and the con-venience features of Molloy Made Loose-Leaf Binders.

Whether your purpose calls for ring binders, post binders, or one of the special devices such as used on the Oilwell book, you will find specially designed Molloy Made Binders far more effective and little, if any, more expensive than ordinary stock binders, when purchased in quantity.

you are considering the use of looseleaf binders for any purpose, write to us for samples and suggestions giving full No obligation is involved!

#### The DAVID J. MOLLOY COMPANY



2869 N. Western Avenue, Chicago New York Office: 300 Madison Avenue

#### BY WALTER MANN

#### "Standards of Research"

If, from his hot-seat in that spacious liars' limbo reserved for old school publishers' representatives, one of the hard-bitten "buy you a drink—or a lunch" so-licitors happens to get a glimpse of "Stand-ards of Research" (an 88-page book just published by the Meredith Publishing Company) he will be completely unnerved at the way in which the publishing busi-ness is speeding toward scientific accuracy.

Far be it from me ordinarily to wax too enthusiastic over any pie which contains the flavor of my own finger. But I am frankly enthusiastic over this one. Instead of being one more gesture in the direction of scientific media selection, this book actually sets up the basic standards upon which a good research job should be conducted.

Standards of research! The approach to

Standards of research! The approach to the scientific in advertising. And—of all things—that this approach should have been made by the publishing side of the fence instead of by the space-buying watchdogs! Truly, the world do move!

Quoting Fred Bohen, in the preface of this very valuable book, "To be of real value . . . research studies must be conducted according to scientifically accurate methods—methods which, besides adhering to scientific formulae. permit the results to scientific formulae, permit the results to be shown in a comprehensive and practical form." This, in essence, is the aim of "Standards of Research." Its secondary purpose is, of course, to indicate that the Meredith Publishing Company—having set standards for the world to follow—has been the first to accept them in its own conduct and presentation of market research studies.

This would certainly be a logical as-sumption. For a publisher who wants to hide his research methods would scarcely publish an 88-page book of standards by which they could be adversely judged—not even in the advertising business where logic is occasionally at a premium. Nor would he have permitted corrections and emendations by many research celebrities.

The following chapter headings from the table of contents will indicate the thoroughness of the job that has been done: Questionnaires; 3. Distribution of Questionnaires; 4. Tabulation of Returns; 5. Personal Investigation; 6. Statistical Analysis; 7. Testing and Interpretation; and 8. Reports.

There are also five appendices: (a)
Table Constructions; (b) Charts and
Graphs; (c) Standard Punch Code (for

Machine tabulation); (d) Percentages and Averages; (e) Standard Reference Books.

Jean F. Carroll, director of the bureau of market analysis of the Meredith Publishing Company, is responsible for this fine piece of work. He has leaned over backward to make sure that its pages are free from publisher's bias or "predigested facts." As stated in the introduction, Every possible double check is used by the bureau of market analysis to protect the accuracy of the data and conclusions." Not only are such studies gone over by an advisory committee, but they are also audited upon request by Mr. Carroll or by any member of that committee. Such precaution cannot fail to give a marked stamp of authenticity to research work put out through this bureau.

I have no idea of the extent to which this book, "Standards of Research," is to be distributed. I have, however, a very definite idea that anyone who can get hold of a copy should do so before the supply

#### The N'Yawleens Market

Data on New Orleans—first city of the South—second seaport of the U. S. A.—has been prepared by the New Orleans Times-Picayune under the title, "The New Orleans Market and the Medium," and is now available in a 48-page eight and onehalf by eleven-inch booklet, so tabbed that it will file perfectly along with the A. N. P. A. Standard Survey Forms.

Twelve railroads-several bus lines and ergo) main highways-radiate from New Orleans, according to this interesting book-let. They cover a "suburban" radius of sixty-eight miles from the corporate limits of the city (seventeen parishes). A whole-sale or trading area\* of about fifty addi-tional parishes in a warped semi-ellipse around the suburban radius is also out-

Tables on population and standards of living are next shown in an analysis of all towns of 1,000 and over (1) in the suburban\_area and (2) in the "trading" area.\* Figures are given on population, number of families, number of income tax returns, bank reports in dollars, number of auto owners and truck owners.

Next comes analysis of population by parishes in Louisiana and in certain counties in Mississippi. The following figures are given: population of the parish of county, number of income tax returns, number of families with telephones, number having "domestic" lighting, number of motor owners and (with what Ford owners will regard as a superfine sense of discrimination) the number of Fords.

Next a map showing the boat and rail routes centering at New Orleans and a page or two on its growth, past, present and future; building in maritime tonnage; the railroad facilities; the industrial development; the bank deposits, etc. Then data on buying power by classes, analyzed

by Times-Picayune carrier systems.

Next we find data on Times-Picayune circulation in the suburbs and in the trading area, as compared with the circulation of general and leading woman's magazines (in the suburban area only) as follows: Saturday Evening Post, Liberty, Collier's, (Continued on page 199)

<sup>\*</sup>A most interesting comparison of the "trading area" conceptions of the New Orleans Association of Commerce, of J. Walter Thompson's "Retail Shopping Areas," of SALES MANAGEMENT, and of Editor and Publisher, with Englisher's own conception of his trading area, is found on two subsequent pages of this booklet.



THE INDOLENT RICH



THE OVERWORKED POOR



THE CLINGING VINE TYPE



The CREATIVE TYPE



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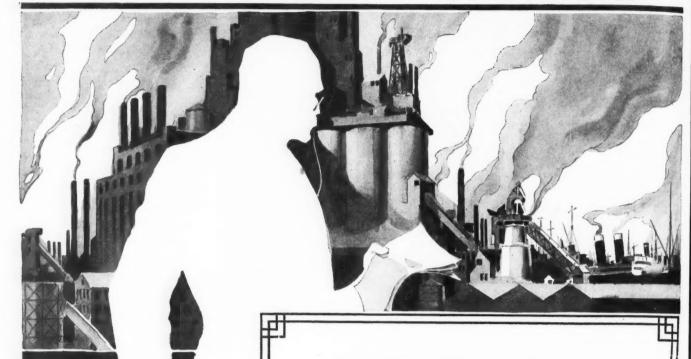
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#### PUT THE BANKER IN YOUR PICTURE



#### In Hartford, Conn.

Some of the companies in which American Bankers Association Journal subscribers exercise a decisive influence:

Aetna Life Insurance Co.
Hartford Fire Insurance Co.
Travelers Insurance Co.
Phoenix Mutual Life Insurance Co.
Standard Screw Co.
Glastonbury Knitting Co.

Terry Steam Turbine Co. Smith Worthington Co. Cushman Chuck Co. C. H. Dexter & Sons Eagle Lock Co. Hartford Gas Co.

A PPLY to Bankers any yardstick of measurement you may devise—estimate on whatever scale you will the outstanding buying power and influence of Bankers—and you can come to but one possible conclusion—that the only publication offering complete paid coverage of every worthwhile bank is worthy of a prominent and permanent place on your advertising program.

#### The Bankers Own Publication

The A.B.A. Journal as the official organ of the American Bankers Association is published by the Association for Bankers. It reaches approximately 20,000 member banks and over 12,000 bank officers and directors at their home addresses and the individual circulation is steadily increasing.

ALDEN B. BAXTER, 110 East 42nd St., New York, N. Y. CHARLES H. RAVELL, 332 South La Salle St., Chicago, Ill. CUPIT & BIRCH, Kohl Building, San Francisco, Cal. 846 So. Broadway, Los Angeles, Cal.



## AMERICAN BANKERS Association IOUDNAL

110 E. 42nd STREET NEW YORK CITY

Edited by JAMES E. CLARK



Saturday . . . .

1929

# Sales Management

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C. C. Harvey Company, Boston, Massachusetts

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R. S. v Enterprising Florida communities are beginning to issue their widespread invitations, through advertising, to Northern residents.

#### Why shouldn't you come to Florida too?

First-hand information would be stimulating, enlightening, profitable. And as an advance guard you might gain a preliminary profit through placing a schedule now in the all-state, seven-day newspaper-

The FLORIDA TIMES-UNION

-:-

Jacksonville, Florida

#### THERE'S NO PRESTIGE IN GIMCRACKS

Wahl-Eversharp trade remembrances will do far more for your business than any trick novelties, or like gimcracks. They are truly appreciated by recipients and their long usefulness builds good will for years beyond the life of ordinary souvenirs.

Among the beautifully made Wahl-Eversharp Fountain Pens, Pencils and Fountain Pen Desk Sets you will find gifts appropriate to any class of trade; prizes capable of pepping up sales

contests and advertising specialties of tested sales power.

They may be had imprinted with your name if you desire. Quantity prices are much lower than you would imagine.



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These most valuable booklets of the week will be sent free to executive readers who make a separate request for each one on their business letterheads. Booklets will be mailed by the companies which publish them.

Address Sales Management, Inc., Reader's Service Bureau, 420 Lexington Avenue, New York.

#### Markets and Media

The Red Book Magazine. A complete presentation of editorial, advertising and circulation facts about the Red Book arranged in tabular and chart form for easy reading and interpretation. Among other interesting features are tables of comparison in the fields of circulation coverage in income groups, advertising lineage, advertising rates, etc., among the leading magazines in various classes.

Bronx Home News. The only local newspaper in this county will be pleased to furnish a survey of the Bronx as a market of a million consumers to all who are interested in this wealthy borough of New York City. Its size and form are the same as the A. N. P. A. Standard Market Surveys, and the data given are designed to answer the needs of the advertiser.

It's Great to Be a Georgian! The hows and whys of Georgia's steady ascension in the realm of industry are given in this Year Book of the Georgia Power Company. Natural resources, industrial facilities, trends and markets are a few of the topics treated.

#### Displays

Window Displays and Exhibits. A folder of information compiled by Martin Jenter, who was selected by the United States Government to take complete charge of the American exhibits at the Exposition in Seville this year. This folder illustrates and describes displays for windows, expositions, conventions, sales offices, etc., as used by Dodge Boat Works, Post Products, Bigelow Hartford Carpet Company, Beaver Products, Edison and others.

#### Merchandising Services

Adequate Profits. What they are and how to insure them. A study prepared by the engineering firm of Bigelow, Kent, Willard & Company, showing, among other things, tables of what profits have been and what they

should be, and with particular emphasis on increasing profits through the discovery and elimination of sales leaks.

Your Competition. Critchfield & Company have drawn up an admirable and valuable series of charts by means of which you may measure whether your business is getting its due proportion of the 154 per cent increase (since 1909) in the worker's income. Shows the percentage of this increase which has been absorbed by the luxury industries (cosmetics, radio, amusements, motor cars, etc.), and emphasizes the importance to the manufacturer of utilities, of reckoning with the competitive power of these factors in laying out his sales, merchandising and advertising plans.

#### Direct Mail

Handbook of Illustrated Letters. In this ambitious brochure, the Standard Paper Manufacturing Company avoids the usual trite generalities in discoursing on the advantages of illustrated letters—and gets down to offering some pointed suggestions for their use. A number of specimen letters are provided, and there is a generous supply of samples of Two-Text.

#### Bibliography

Books in Business. A booklet which describes the working theory of the Business Book League, Inc., a new organization paralleling the popular book clubs, but limiting its activities to the selection of books on business.

#### Packaging

Sales Appeal in Modern Packaging. Granted that your product is superlative in its field—it will take a fat advertising appropriation to overcome the handicap of a drab package if its inferior competitor on the same shelf is a delight to the eye. That truth is obvious—but the Crescent Engraving Company discusses in this booklet some of the subtleties of the problem, such as sales appeal, "family" identity, modernity versus conservatism, etc.

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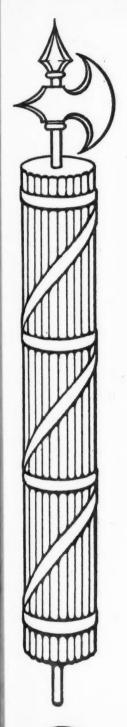
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# Business has a Conscience



RESIDENT HOOVER recently told the International Advertising Association that he estimated the ethical value of Advertising as of equal importance as its economic value. He went on to say:

"The reiterated act of placing one's commercial aims before the public in cold type, day after day, compels one to subject his own motives to a criticism as severe as that which he expects from the public scrutiny. Also, the agencies established by the advertisers themselves for checking up the truth of advertising in general, have produced most beneficial results. The noteworthy advance in the ethics of business, easily perceptible in the last twenty years, is in no small measure due to the self-examination cheerfully exacted of themselves by business men in their practice of the art of advertising."

Good Housekeeping has had a watch-tower position from which to watch American industry develop a conscience and reach higher planes of service.

And it has seen the tireless search of American business for the finer enterprise and the better product amply rewarded by the confidence of the people and by the prosperity that results from such good-will.

Good Housekeeping is proud that its specialists and laboratories have been of use to American industry in producing excellent merchandise, and that its pages of guaranteed advertising have been a mirror for the progress of business toward higher standards.

Sharing in this self-examination it equips itself more efficiently than ever before to cooperate with manufacturers of integrity who have the forward look.

Cood Housekeeping

EVERYWOMAN'S MAGAZINE

NEW YORK

BOSTON

DETROIT

SAN FRANCISCO

CHICAGO

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# To manufacturers and distributors who want to sell New York's 2,000,000 homes

IN September, 1929, the New York Evening Journal carried 166,109 lines of Radio Advertising... a gain of 80,878 lines over September, 1928. Of this total, 161,316 lines (97% of the total) was Radio Set Advertising. And in this classification the Evening Journal carried 29,983 lines more than the next New York newspaper.

What significance has Radio Advertising to shoe sales here? Or furniture, foodstuffs, toilet requisites or cars? Just this, that the New York Evening Journal, reaching for more than a quarter of a century the largest evening newspaper-reading audience in America, has proven

again, in its record of Radio Advertising, its power to produce big-volume sales here. That's because it is New York's great home-going evening newspaper. It is read in the homes of the highest earning and largest spending classes throughout New York City and its wealthy suburbs . . . in the evening, when most buying discussions are held and most buying decisions made.

What product do you want to market here? The Evening Journal, at a single selling cost, is big enough and strong enough alone to do the job of building responsive acceptance in this market for the merchandise you sell.

#### NEW YORK EVENING JOURNAL

One of the 28 HEARST NEWSPAPERS read by more than twenty million people

NEW YORK:

9 East Fortieth Street

Represented nationally by the RODNEY E. BOONE ORGANIZATION

NEW YORK: International Magazine Bldg.

CHICAGO: Hearst Building DETROIT: General Motors Building ROCHESTER: Temple Building

BOSTON: 5 Winthrop Square PHILADELPHIA: Fidelity Philadelphia Trust Bldg.

· Member of International News Service and Universal Service

Member of Audit Bureau of Circulations

# Sales Management The Weekly Magazine for Marketing Executives

VOLUME TWENTY, NUMBER FOUR

New York, N. Y., October 26, 1929

# Looking On

Thunder that Leaves Us Unmoved Almost every day some big business news breaks. Like thunder one hears it, but like thunder it leaves one untouched by direct effects. Many business men, in other words, are only looking on as great events in the busi-

ness world are occurring all about them. They read of giant chains swallowing other chains, of mergers merging with mergers, of banks by the same process swelling their resources to billions, of stock prices crumbling one day

only to soar next day to new highs.

These kaleidoscopic changes in conditions become harder and harder to decipher and orient. The well-informed few may follow with understanding the shiftings and realignments that are transforming the business structure and obliterating old landmarks. But to the average business executive, judging from prevailing comment and conversation, the seething movement of great organizations in the labor of new growth is mainly breath-taking and astounding. Of what it is all about he knows little save what the newspapers tell him. He is aware that he lives in an age of stupendous undertakings that are carrying us far from once familiar moorings. Whither we are going and how we are being borne along are matters in considerable degree beyond his ken.

Note of Doubt Jars Prosperity Symphony

lphia

If there are master minds that can interpret the headlong rush intelligibly and read aright its signs and portents, they are mostly silent either because they are unwilling to share the fruits of their perspicacity

and wisdom or because they are unmoved by unorganized need of public enlightenment. And so business in general is left to gape at the phenomenon—marveling much at its prodigies and perhaps fearing them a little—of mass capital (offspring or parent of mass production and mass distribution, who can say which?) in the throes of a mighty evolution.

Everything is justified by the tide of prosperity that floods the land. Yet by the dullest ear a note of doubt can be heard. Few business organizations feel *entirely* safe from the maw of absorption or elimination. And as not all of them by any means are ready for the great adventure we see them everywhere making valiant efforts to escape the tentacles of Big Business that reach out to encompass them, or to put them in red ink.

#### BY RAYMOND BILL

The same spirit is raising the temperature of competition to fever heat. Independent dealers and wholesalers are working overtime to match the chains. Chains are re-enforcing their resources to fight chains, to meet factory-store assaults and to vie with the enhanced ability and improved methods of independents. The manufacturer who sells independents and jobbers is finding new ways of cooperating with his customers. Manufacturers of well-known brands are enforcing and ensuring distribution by sheer power of consumer advertising. Mortgage selling companies and bankers who used to underwrite bonds and preferred stock are taking up other types of securities for which there is now a readier market. Life insurance companies and building companies are making careful studies of areas said to be over built. The banks in smaller cities are striving to replace withdrawn interest and savings accounts by other deposits.

Strange Mating Throughout All Industry Drugs stores are considering the shoe business. Automobile concerns are jumping into radio. Soda fountains are "marrying" tobacco products in spite of sweets and anti-sweet propaganda.

Standard Brands has brought coffee and yeast under the same tent. Postum changed its name to General Foods so that it could leap at will from key to key on the piano scale of food products. Our biggest banks in New York and Chicago were not big enough. So they keep on getting together. Holding companies are formed to control great chains of banks, paralleling an earlier trend in public utilities. The Government is cooperating with business to curb over-production of oil and many farm products. Investment trusts are becoming so numerous that one can no longer remember the names of all the large ones. Giant department stores are taking their places as mere units in super chains.

These multifarious changes are no doubt aimed at the important objective of solid business expansion. But meanwhile with so many and such varied changes can anyone rightfully blame the *looker on* if he sometimes asks just what business he is in anyhow, or, if he knows now, what business he will find himself in tomorrow? What business, for instance, should a company executive

train himself for if he now is head of a tire manufacturing company? Should he be ready to run 2,000 retail stores or should he buck up during his spare hours on talking pictures and bread baking to be ready for his next "logical

merger"?

Business activities and policies, moreover, have passed so largely out of the hands of business men into the hands of bankers that many company executives have lost their independence of control or have themselves joined the ranks of the financiers. As a controlling influence in the business world the financiers are now in their heyday. Let the looker on make no mistake about that. And for that very reason it is important that business men outside the regions of high finance should constantly give the bankers and financial leaders of the country as clear a picture as possible of what is going on as the looker on sees things.

We Must Avoid the Pitfalls of Misunderstanding The bankers certainly see the inside. Do they also see the outside? Let us hope they do. For even slight abuse of their present and rapidly growing power through in-

ability to see themselves as others see them might go far toward overturning the existing general prosperity.

This is not to imply that ignorance on either side, fancied or real, is engendering a spirit of pessimism. On the contrary, optimism is the keynote of the day, even where bewilderment gives it a basis of faith rather than of knowledge. It is merely to present the merits, if not the urgent necessity, of watchfulness and conscientious endeavor to avoid the pitfalls of misunderstanding, fecund mother of most human troubles—to visualize the burden of responsibility now falling upon the banker in heavier measure than ever before, a responsibility that goes far deeper than finance per se, touching as it does the very roots of the nation's social life.

Questions Asked Wherever Men Congregate It is far from the mind of this writer to assume the role of critic of banking methods. The aim is solely to focus attention on new problems of public welfare that are devolving on

the financial world—to urge bankers as a body to get as close as possible to the thought and feeling of the looker on. For however convinced the banker may be that the principles on which he is working are sound and likely in their working out to be of beneficial effect to the nation at large, the risk of upset is never absent when touch is lost with the outside viewpoint. The greater opportunities and rewards that run with access of power and responsibility are indissolubly linked to "public relations," a phrase and a condition that for the banking fraternity are daily taking on an added degree of significance.

The following questions are submitted as typical of the kind that are being asked wherever men congregate:

1. Should there be some limit to the effort to sell the public on the idea that common stocks are the best type of investment?

2. Should there be any limit to progressive control of business through the instrumentalities of interlocking directorates of investment trusts, underwriting banking houses, super-sized banks and gigantic business cor-

3. Are there any limits to the benefits which the public and business may derive from chain banking?

4. What is the outlook for the small real estate mortgager, and is the small home-owner now getting and is he likely to get adequate attention in the matter of mortgage loans?

5. To what extent is it well to allow elimination of the entrepreneur element that independent retailing stands for, even if chains and factory-owned stores can

be proved to be more efficient?

6. To what extent is it well to allow elimination of the entrepreneur element that small manufacturers stand for, even if mass production is more economical and lends itself to more efficient distribution?

7. How big should any one company allow itself or

be allowed to become?

8. How rich should any one individual allow himself or be allowed to become?

9. From the standpoint of national welfare, at what stage do the benefits of mass efficiency give way in value to the pleasures and advantages of individual independence in business?

Bankers' Policies Must Be Sold to the Public These are just a few of the queries that are rising in the minds of those who are looking on. How and what the American people are thinking in connection with such questions

seem worth continual ascertaining by bankers. The future of the country may depend on their doing so, not by proxy, but in person. And whatever conclusions may be reached by the industrial, commercial and financial leaders as to what constitutes right policies in these matters, it is obvious that the wisdom of such policies should be "sold" to the public to the end that misunderstanding and the disaffection growing out of misunderstanding may be avoided.

History tells us of, not one, but many empires that grew to greatness because of the financial and commercial prowess of their peoples. And history tells us also how many of these empires ultimately collapsed when the money power, having first attained practical control over government, abused its capitalistic power, mainly through failure to keep advised of the viewpoint of those who were just looking on. Regardless of the form of rule, the lookers on must be treated with sympathy, consideration and above all with real understanding if the rule is to endure. On any other basis, dominion of any sortbe it regal, republican or business—will most certainly topple.

As the Die Is Now Cast So Will It Be It appears that America is moving toward a business headship, and the great financial minds of the country are likely to constitute the invisible cabinet because of their close to complete control of the bulk of the to n p co D b fi

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nation's business. As the die is now cast it cannot easily be otherwise. Socialists, Reds and What Nots may be very busy in our midst during the next few years. But their efforts at subversion will wind up, as they always have in this country, provided our business and financial leaders fulfill with credit the social responsibility that goes with the mantle of power.

And if they fail? Well, why try to prophesy beyond assuming that those who are now looking on will do a little looking in on their own account. It has always been so. The ideas of the minority cannot govern (directly or otherwise) much longer than they prove acceptable to a goodly majority. (Continued on page 200)

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take advantage of the widespread interest in the gyrations of the stock market these days, the Frigidaire Corporation, Dayton, Ohio, has been celebrating by promoting a "Million Dollar" sales contest in which members of its sales organization in the field were given an opportunity to "play the market" in regular Wall Street style while piling up handsome profits for themselves and giving the new Frigidaire million model a suitable introduction to the public.

The fact that this was a "Million Dollar Contest" did not mean, how-ever, that the goal was a paltry million dollars in sales. Wall Street doesn't bother with such small change in these prosperous times, and neither does Frigidaire. The one million feature was merely employed to harmonize with the keynote of the occasion. As a matter of fact, each of fifteen districts was assigned a quota of \$1,000,000 in sales during the period of the contest, and while an individual district or two may have failed to boost its stock that high, it is said that the country as a whole

having an estimated capacity of one million dollars in sales during the period. These groups were then assigned corporate titles and "ticker symbols" and their "stock" was "listed" on the Briefelium " "listed" on the Frigidaire "stock exchange."

Thus, group one comprised the Oakland, San Francisco, Los Angeles and Portland sales districts, its corporate title was "Pacific Coast Amalgamated," and its ticker symbol was PC Amal." Other groups were known as "Great North West," "South West Producers," "Great Lakes "South West Producers," "Great Lakes Division," "Chicago & Davenport," "Mid West Alliance," "Cotton Belt Units," "Indiana, Ohio & Southern," "Ohio & Virginia," "Pittsburgh, Washington & Baltimore," "Philadelphia Allied," "Lake Erie & Eastern," "Metropolitan of New York," "New York Associated" and "New England Consolidated." Consolidated."

One million dollars' worth of stock was assigned to each group and divided among the several sales districts in that group according to their quotas for the contest.

was to be purchased by salesmen, dealers, supervisors and field men and paid for in terms of Frigidaire orders. Handsome stock certificates were issued as fast as orders were reported and approved.

D. G. BAIRD

Salesmen and dealers who ranked as direct selling men (a dealer might rank as a supervisor under certain conditions) were paid in common stock, the number of shares paid for each sale depending on the type of refrigeration unit sold, just as the regular commission does. The smallest number of shares paid for a sale of any type unit was five.

A dividend of twenty cents a share was to be paid on all stock held by members of each group which made exactly 100 per cent of quota, provided the individual members themselves had made 100 per cent of their

(Continued on page 194)

# How to Sell the Giants of the Railroad Industry

In selling or advertising to the railroad industry, railroad-trained or railroad-minded men should be assigned the sales task, says this writer. In this article are outlined some of the salient facts a sales manager should know before planning an approach to those in charge of purchasing for this big industry.

#### BY HENRY KING

HE "Iron Horse," transporting tremendous tonnages of freight and an almost incalculable number of passengers a year, offers an enormous market to manufacturers whose products range from brooms to steam shovels, machine tools to lubricants. Let us get a clear conception of this great industry by considering some of its annual expenditures and other interesting figures.

The capital expenditures for Class 1 railways during the past six years aggregated over \$5,000,000,000, about \$836,000,000 annually. In addition to capital improvements the railroads spend over one and a quarter billion each year for materials used in operation, maintenance and replacements. Expenditures in this latter category alone in 1928 totaled \$1,271,341,000, divided as shown in the table below.

Capital expenditures combined with those made for operation, maintenance and replacement total over two billion dollars annually.

That the capital expenditures of railroads for 1929 would equal at least the amount for 1928 was predicted by P. E. Crowley, president of the New York Central Lines, which spent about \$60,000,000 last year for additions and improvements, exclusive of equipment. Mr. Crowley's prediction is being borne out by current construction activity and equipment buying by the railroads. Railway Age in forecasting 1929 said:

'Railway executives anticipate that 1929 will be a comparatively good year for the railways in point of traffic and earnings. They expect that ex-penditures for improvements corresponding to those within recent years and perhaps somewhat larger than within the last year, will be made, especially if business equals its present promise. They expect, however, that, under present conditions, improvements tending to reduce operating costs will be made more largely than for the purpose of providing increased capacity.

Because of Interstate Commerce Commission regulation the railroad industry through the Bureau of Railway Economics, maintains a weekly statistical check on its activities that are an excellent source of market condition information for the manufacturer selling the railroad field. The following thirteen factors when combined, constitute a reliable index of any railroad's efficiency:

- 1. Car miles a day.
- 2. Ten-miles a car day.
- 3. Gross tons a train.
- 4. Net tons a train.
- 5. Gross ton-miles a train-hour.
- 6. Net ton-miles a train-hour.
- 7. Locomotive-miles a locomotiveday (freight).
- 8. Locomotive-miles a locomotiveday (passenger).
- 9. Percentage serviceable locomotives (freight).
- 10. Percentage serviceable locomotives (passenger).
- 11. Percentage serviceable freight

What the Railroads Spent in 1928
Fuel: Source: Bureau of Railway Economics
Coal\$312,196,000
Fuel oil 67,051,000
All other 5,361,000
Total \$384,608,000
Forest Products:
Cross Ties 95,684,000
All other 65,110,000
Total \$160,794,000
Iron and Steel Products:
Steel rail 92,181,000
Wheels, axles and tires
Frogs, switches, bolts, spikes, tie plates, etc 67,376,000
Iron bridges, turn tables, structural steel, bar iron, and
steel, forgings, etc
All other 153,259,000
Total \$397,544,000
Miscellaneous:
Metal and metal products 49,826,000
Ballast
Air Brake material, etc
All electrical materials
Stationery and printing
All other 188,670,000
Total \$328,395,000
9520,577,000

Grand Total ......\$1,271,341,000

Note-All prices include freight and handling charges.



The railroads are obviously big markets for such a product as lanterns, but they are also markets for many of the products used in hotels—linen, china, mattresses, and so forth. Is there an opportunity for your product in this great industry?

12. Fuel consumption a unit (freight).

13. Fuel consumption a unit (pas-

enger).

The last sentence of the quoted Railway Age forecast is worth repeating: "They expect, however, that, under present conditions, improvements tending to reduce operating costs will be made more largely than for the purpose of providing increased In the conditions expressed here lies an excellent talking point for the manufacturer, who can point out the economies to be secured in railroad operation by the adoption of his equipment or product. Marked progress is being shown in the use of labor-saving equipment as well as the introduction of new devices and the improvement of equipment already in use. For instance, the use of power hand tools, incident to rail laying, has been extended to a greater number of railroads during the past year. Electric welding, which has been applied rather extensively to the fabrication of steel buildings, is now subject to experimental application in new bridge construction. Improved telephone and telegraph facilities were provided on a larger number of steam railroads during last year with beneficial results in the way of greater economy of communciation service and more prompt handling of business. Another tendency is toward the installation of automatic electrically operated pumping plants for the purpose of reducing the cost of attendance.

Electric traction has also taken a big step forward, and the electrified mileage of the country will be increased 25 per cent upon completion of projects now authorized. For example, the combined Pennsylvania, Reading and Lackawanna projects will require an expenditure of approximately \$135,000,000 and will include 442 route miles of railroad, a greater mileage than has been put in operation during the past eight years. Naturally, such a program of electrified expansion exerts a tremendous influence on the sale of electrical equipment necessary to complete the program.

While the railroad purchasing agent buys on price and must reconcile price with good quality of materials, the buying of mechanical equipment and certain equipment used in construction work originates from the engineering and mechanical departments. The purchasing agent usually has complete responsibility in buying such standard equipment as lamps, brooms, cleaning compounds and general miscellaneous supplies. Shovels, however, are classed as operating equipment and customarily come under the jurisdiction of the direct maintenance department.

#### Must Be Railroad-Minded

In selling or advertising to the railroad industry, it is important to remember that executives and employes are banded together by the slogan: "Once a railroad man, always a railroad man." Therefore, railroad-trained or railroad-minded men should sell the railroad field.

The railroad is highly departmentalized, each department having its own problems. Some departments dominate others in importance. The motive power department responsible for moving trains over the track usually gets its share of capital expenditures first. The present creed of the motive power department is more efficiency, which may take the form of speed, fuel economy, or longer trains.

While, as in other businesses, the executives must be sold, the railroad worker should not be forgotten. A few years ago, the manufacturer of a locomotive stoker failed to sell the locomotive fireman on the advantages of the stoker to him with the result that the fireman sabotaged the stoker and almost put the company in bankruptcy until a group of service salesmen went out with the fireman on the engine runs and won their good will.

Generally speaking, copy addressed to the railway industry falls into one of the four following classifications:-Prestige—Economy—Performance and Maintenance. An example of prestige copy is the advertisement of the Burden Iron Company. The headline, "The Iron Industry and the Iron Horse," conveys at a glance the story of railroading. There are very few railroad men, as the first paragraph

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FIRST, because of the low initial cost of CCROME. Scientific manufacturing facilities enable us to give to the railroads "to most of the best for the least."

Second, because there is no breakage loss due g application—HY-CROME Spring Washers are made from electric alloy steel—the to the lest, most dependable grade manufactured.

Third, because the non-breakable and non-fre guing qualities of HY-CROME insure permanent rail joint security, thus reducing to maximum depreciation costs.

No attention is needed after application—the wide reactive range of HY-CROME compensates for all wear and maintains proper bottension under every operating condition.

The Reliance Manufacturing Co. Massillon, Ohio

# HY-CROME "The Most of the Best for the Least"

One sure-fire copy appeal for the railroad man is greater economy in the work of keeping equipment up to its fullest efficiency. This advertisement, from a recent issue of Railway Engineering and Maintenance, is a pointed illustration.

of copy states, who have not heard of the remarkable run made by the 999, without question the most famous locomotive in this country. Old 999 ran in the early 90's, a fact that is also brought out in the copy, and to gratify the traveling public's desire for fast express service, was no easy task. Safety demanded many radical changes—heavier rails, improved roadbed, larger locomotives and the use of dependable materials. We learn from the copy:—

"By this time, the super-wearing qualities of Burden Iron were known from coast to coast—many of the locomotives built in the early 90's were riveted, stayed and bolted with this famous material."

This is a piece of self-evident prestige building copy which shows familiarity with the historical background of railroading. It links the product of the manufacturer to a period wellknown in the railroad field.

In the advertisement of the Landis Machine Company the argument is performance. This piece of copy is aimed to interest production men in railroad repair shops. "Nine hundred and sixty per hour" is the headline which, of course, points specifically to a performance record. The copy states:—

"The machine illustrated is located in one of the largest and most efficient railroad shops in this country—a shop which is attracting considerable attention by setting new low cost records for locomotive and car repairs."

It is interesting to note that performance copy addressed to any field need not be particularly clever in order to attract attention. The real test of performance copy is based on the facts which are given and, if these facts point to economy, they may be expressed in the simplest terms and still strike straight home.

The appeals of economy and maintenance are self-evident. Anything that saves or simplifies the work of keeping equipment up to its fullest efficiency is welcome to the railroad man. Copy to the railroad industry is really no different in basic principle from copy that appeals to any other industry, for men in industry think the same with the proviso that they think in terms of their own industry.

#### Labor-Saving Machines Perk Up Tired B. M. at Business Show

The tired business man came out of the twenty-sixth annual National Business Show at the Grand Central Palace in New York this week with a smile on his face, caused by the sight of so many things that save labor and speed up production and sales and record keeping, and often do it more quietly.

The exhibits range from writing fluids and ink eradicators to rapid calculators and automobiles. Although few of the devices exhibited are entirely new, almost all show refinements and attachments heartening to the tired b. m. One machine, manufactured by the American Multigraph Sales Company, looks almost exactly

like a printing press. This company also brings out at this show the "Set-o-Type," for setting Multigraph drums from type by machine. An ordinary typewriter is used, the type being set as rapidly as the operator works the typewriter. By punching merely the amount, a new check writer, introduced by the Addressograph Company, prints the amount, the date, the check number (both on the check and the stub), and signs the check with signature ink. It is particularly adapted to handling dividend checks for which it automatically feeds the blank checks, fills in the names and address, amount, date, dividend number and check number on the check, as well as the check stub. It also signs the check in signature ink and places this information in duplicate on a check register sheet.

	NO. OF HRS.			TOTAL CALLS	INIER- VIEWS	NÉW PROS- PECTS	EVE. CALLS OR INVGATION	FUTURE APPTS.	WITH	CLOSING Attempts	NO. OF SALES
MON.	8	3	11	14	.9	2	1	1	0	73	0
TUES.	8	16	4	20	5	0	0	0	0	0	0
WED.	8	5	2	7	4	3	1.	0	6.	1	1
THURS.	8	1	6	7	6	0	0	0	0	-1-	1
FRI. SHT	8	12	5	17	6	3	2	0	0	0	0
WEEKLY TOTALS	40	37	28	65	30	8	4	1	6	3	2
DAILY AVE	8	7	5	13	6	1/2	4/5	1/5	11/5	3/5	2/5

The salesman is sold on the idea that these forms are not reports, but analyses. His daily analysis is tabulated on a weekly summary, examined by himself, his supervisor and his sales manager.

### Records that Spot the Man Who Is about to Hit a Slump

→ HE biggest part of the sales management problem is the problem of an individual salesman's profitable operation, and not of general merchandising ideas. During the past several years the writer has had an opportunity to study this problem and he has reached a process of scientific analysis of salesman op-eration that "takes the guesswork out of sales management."

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This process makes it possible to tell now

what will undoubtedly happen to a salesman thirty days from now; gives the sales manager definite information based on the vital facts about his sales force; makes it possible to keep ahead of the men at all times; to forecast and determine the mortality and efficiency of man power available; makes it possible, in short, to control

Here is a sound plan for maintaining such a close control over the activities of individual salesmen that each can be aided in licking his specific salesmanship problem. It effectually aids in saving the man who is beginning to slip. The plan is relatively simple, and adaptable to many lines.

BY E. A. TERHUNE

Sales Manager, Refrigeration Department, C. C. Harvey Company, Boston, Massachusetts

the situation completely at all times. Its effectiveness has been proven real and practical during the past few years the writer has operated it. Adaptation can be made to any line of merchandise where salesmen and the effectiveness of man power are essen-

tial parts of the sales problem.

The basic idea is an accounting

system of sales operation paralleling the accounting system of finances.

In the first place, analysis is made of the fundamental essentials of t h e salesmen's operations, and these factors listed. The lack of any, or the improper balance between these factors will throw a salesman out of the proper balance. For example, in merchandising automatic refrigerators, the following items are very important and all affect the salesmen's results direct-

ly: (1) hours worked; (2) canvass calls made; (3) all other calls, such as return calls, calls on definite "tips," etc.; (4) total calls; (5) interviews; (6) prospects secured; (7) evening calls made; (8) future appointments made; (9) calls made with the district manager; (10) closing attempts; (11) sales.

Date\_

Pinkham

to canvass and start right. Last, but

not least, the number of sales affects

the salesman's success in refrigeration,

Any sales problem can be so ana-

To obtain a fair average by which to judge, there should be three months' tabulation before the sales manager attempts to draw too many close conclusions.

A study of this analysis reveals that all points are essential in refrigeration sales. Another product would vary the items. There are, however, some points in common with all products. The number of hours a man works

DISTRICT MANAGER'S

DAILY LOG

Sept. 10, 1929

3

No. Canvas Calls

6

10

2

4

1

John Phillips

affects his success in any line. In retail refrigeration sales, canvassing is an all-important factor.

A salesman in refrigeration must not only put in the hours, make canvass calls, but he must make return calls, or he is simply "ringing door-bells," and not crystallizing the good prospects. Many calls are useless if interviews do not result; interviews are futile if new prospects are not

No. of

9

1

secured. salesman who does not make the proper number of evening calls is out of luck. Future appointments are vital because refrigeration is very far removed from a "one call" or "two call" p r o position. E x p e r ience proves the need of a district manager o r supervisor to help the salesman t o close difficult prospects and to show the new man how

lyzed. The next step is putting it into successful operation and then using it to produce the desired results. The data required is figured on a daily work analysis. Note it is not called a daily report. The psychology of this is apparent. Every salesman is thor-The oughly sold on the point that this is a work analysis and not a report to check him; that it is for the purpose of helping him operate more efficiently, make more money, and accomplish more with the same effort. He is sold on the idea that the analysis makes it possible for the sales manager to help him through facts rather than the usual "go get 'em," "work harder" hullabaloo so many salesmen have heard from sales managers. Too Many Reports Wasted

and many other lines.

Salesmen all have their individual troubles. A salesman is told that he is expected to want to make a success of his selling, and that if this is not the case he should get out of the business at the start, and save both himself and the company a loss. If he wants success, he is told, he must be willing to do the things necessary to bring success. He is told that no sales report is ever worth the paper it is written on if it is not directly turned back for the salesman's benefit. Too many sales managers have an idea that they should have salesmen make reports, and the reports are relegated to the file for future reference, where they eventually become dust collectors. Sitting down in the public library to compose reports doesn't help the salesman nor the company.

The sales manager frankly tells the salesmen that he realizes a few men will fake the work card reports, and that in so doing only the salesman is cheated. He is told that if only 50 per cent of the men are accurate in their reports, the effort spent by the management will be worth while through the benefit afforded the other 50 per cent. The salesman must be sold properly on the value to himself in making out these cards.

These cards are turned in each day. They are tabulated on a weekly summary. Every week, the supervisor is given the summary to go over with the salesman. In this the salesman gets an average of daily operations for the week, and a standard or perfect operation is given him for comparison Once a month the weekly summaries are consolidated into a monthly summary. Thus the salesman gets an aver-(Continued on page 188)

Dealer Flis Elee. Co. DAILY SALES WORK ANALYSIS 23 arry Date 9/15/29 TOTALS Number of hours worked . SALES MEETING Begin: 8.30 A.M. Number of canvas calls End: 9.10 A.M. Total number of calls made . . Number of new prospects secured . 3 Number of evening calls made . . 2 Future appointments made . . . 2 Calls made with District Mgr. . . 4 Number of closing attempts . . . 4 NUMBER OF SALES . . ! day's work. These daily analyses are used in weekly and monthly REMEMBER: summaries. 1) Dig out the real situation-2) Dig out the real objection-3) Reach some decision-ON EVERY CALL

On convenient little cards, the salesmen and district managers keep simple records of their

# Four More Executives Advise the Chicago Sales Manager

Few articles have ever created as much interest among our readers as the letter we printed last month in which a manufacturer outlined a proposition made by a mass buyer who wanted to take 12 per cent of his output. He laid the whole problem before our readers and asked their opinions. Here are some more replies.

POUR interesting comments from executives of Pacific Coast concerns have been made on the problem outlined by the Chicago sales manager in the September 7 issue. While all of these readers requested that their names be withheld from publication, the gist of their comments is here.

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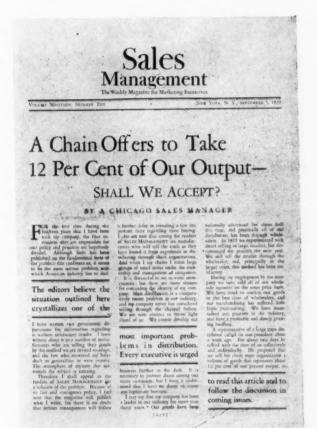
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The reaction of an executive of what is perhaps the largest jobbing house in its field in the Pacific Northwest to the discussion was:

"In answer to the first question, 'Is it according to sound economic and business principles for us to require our present customers to pay a price which covers all overhead and thereby enables us to sell to mass distributors at a reduced price?' from our jobbing standpoint, of course, we would say no. You say that the increased volume would lower production costs only 1 per cent. Why should the wholesalers and jobbers be charged with 100 per cent of the cost when only 99 per cent actually belongs to them?

"This is a crucial question and comes at a time when the question of mass distribution versus recognized jobbing outlets is of paramount importance. I believe that in this instance as in others I have known, if the regular advertised trade-marked goods were sold to the mass distributor under the plan as first outlined, as soon as the jobbers felt the loss of business or were aware of the change in business policy, they would cease to buy from that factory. In other words, a factory would be running the risk of losing the good will and the business of a number of customers now representing 100 per cent of the output for a 12 per cent increase that in Because this discussion is assuming such a wide importance, readers are urged to refer to the original article in the September 7 issue of this magazine.



itself might conceivably represent the whole of its business within a year or two. Where then would be the profit?

On the other hand, if the same goods were put out under a new brand name for the mass distributor it would not affect the present business of the factory with their regular jobber customers and advertising by the distributor would be logical. But a factory would be foolish to put out another product, practically speaking, at what would amount to a loss. In the majority of instances the factory does not put out the same line under another trade-mark but takes advantage of the opportunity to make a cheaper tool to take care of the lower-priced trade. In that case the factory hasn't gained a thing. If a cheaper tool comes on the market it can be handled at ordinary profit through its regular established trade channels without the risk of loss good will.

"My point is just this, that a factory cannot sell the same goods to both re-

tail and wholesale houses and keep the good will of both. From the standpoint of the independent dealers, to maintain their own customer trade they must be able to sell at a price at least as low as that reached by the mass distributor. On goods sold to a mass distributor at a figure 9 per cent lower than is made to the wholesaler, it is clearly impossible and the independent must drop out.

pendent must drop out.

"On the other hand, the mass distributor, to get volume of business on the advertised lines of goods, must sell at low prices, thereby lowering his net profit, and I don't think that any mass distributor or anyone else for that matter will push goods on which there is a small percentage of profit when it is possible to sell other goods on which profit can be made. There, again, the factory would eventually suffer."

The president of a large food concern with a large national distribution has this to say: "We sell to both chain stores and independent stores all over the United States, but it has been our policy ever since we have been in business to allow no price cutting of our products. There are some of the big chains that we do not sell for that reason, but we feel that in protecting the independent stores we are protecting ourselves and our reputation for fair dealing.

"We have had some very interest-

ing experiences along this line.
"Some years ago the head of a chain of stores who was opening a unit in Southern Idaho sent us a goodsized order for one of our lines. We knew he cut prices whenever possible and we wrote to him explaining our sales policy and asking a guarantee that our goods would be sold only at standard prices. His answer was a demand for the goods ordered, a check to cover it and the advice that he would do as he liked with the merchandise. We tried to explain again, but the matter went to court. Fortunately for our position, because we are a private and not a public utilities corporation, the court decided that we were not obliged to sell our goods-we might if we wanted to but did not have to. The mass distributor in this case was terribly upset and it wasn't until recently that our brand appeared on any of his shelves. However, our eggs were not all in that basket and we continued to grow.

#### Chain Accepts Our Terms

"Then recently the Western representative of a national chain became insistent that we sell him on the same basis. We refused his proposition as we did the other and he made the mistake of telling our salesman that he would buy our products through jobbers if we didn't want to play with him, even if he had to sell at a loss to do as he wished. Our salesman called us by long distance and was instructed to visit every jobber in that city and buy every can of the particular line the chain store man wanted. Fortunately for our friendly relations, when the prospective buyer found he could not purchase the goods his customers requested, on his own terms, he acceded to ours and now buys steadily from us.

"In the first instance we lost one order that would have brought a great many others in its train, but we protected our established trade from price cutting and loss of profit, and the healthy growth of our business leads us to suppose that our stand was

"Question number 5 in the SALES MANAGEMENT article asked if it 'were

necessary to send salesmen to call on district managers or others in order to keep up the expected volume of sales to the mass distributors.' Of course conditions and the management alter such situations, but I would say that in the main it is necessary to follow-up on sales to the big distributors as well as to the small ones. It stands to reason that there is no security in the established mass volume of the mass distributors any more than there is security of volume sold independent dealers. It depends on the customers, on the advertising and on every other factor on which sales of anything hang.

"The Chicago sales manager asked whether it is 'sound business to require present customers to pay all the overhead to enable us to sell a mass distributor at a reduced price.' I think the actual experience of a jobber in this city will tell the story in a nutshell.

#### This Jobber Failed

"The president of a chain of stores came here about ten years ago and he went to every jobber in this city telling them that his company would shortly have between twenty-five and seventy-five retail stores in this vicin-He asked them what they could do for his company and they each handed him their estimates. One of them, after a conference, came out with the startling estimate of cost plus 6 per cent. Surveys made of similar lines of business all over the United States have clearly shown that 11 per cent was the lowest on which such a business could be run. But the sales manager put forth the argument that the building was paid for, the mass distributor would send in the orders, practically all the clerical work would be done by him, it would not increase the overhead of the jobbing house, and, in fact, this order for seventyfive stores was pure velvet.

"The jobber went farther and told the mass distributor that if they found it cost less than 6 per cent to handle his business after one year, they would cut their own price. It looked well on paper, but the result was that when independent stores saw those goods selling at greatly reduced prices they went to the jobber and asked for similar concessions. It was impossible for the jobber to grant such a concession to everyone and the result was that the independent dealers went elsewhere with their business.

"It took more than two years for the fallacy of discrimination in selling price to make itself apparent and not very long afterwards the jobber was forced to sell out to the chain store or go under. After the chain store ran that jobbing house for a while the price of the commodities they handled rose to practically the same level the independent dealers had been selling them. I think that answers that part of the question.

'As for the concessions granted by manufacturers to mass distributors, I do not believe that they are due to actual savings, but are a price paid by manufacturers for large volume business. To my knowledge that has been the experience of both factories and jobbing houses and I cannot believe that it is economically justified. These men are in business to make a profit. Why should they do business on any other basis? Large volume figures may look very well on paper, but they are nothing but a delusion and as such should be avoided. I don't believe that the time has arrived in the development of American merchandise when it is to any manufacturer's advantage to sell his goods in a manner that he knows will result in flagrant price cutting. I hope the time will never come when American business would be economically and morally justified in selling goods to one class of customers at a different price than that at which he sells to others."

#### One Price for All

An executive of a grocery jobbing house whose business has been built on the sound foundation of one price to all consumers contends:

"If a factory is operating on a basis where it could charge its customers 9 per cent less than its regular price, it should cut its price 9 per cent and should cut it to all customers; if a factory, on the other hand, is not operating in such a manner as to allow a 9 per cent cut to everyone with a profit, then it is not economically sound to make that price to anyone. Mass distribution is a mistaken term. There is mass production, but no matter how many units there are in a chain they sell package by package and can by can just as the other stores do."

Another Pacific Coast manufacturer of widely distributed lines also answers "no" to the Chicago sales manager's question "of whether or not to sell to chain stores at a discount."

"We do not sell to chains or to mass distributors because we cannot see where we would be helping our business. Indeed, it is our belief that we would hurt ourselves. However attractive the mass distributor's offer might be, we feel that we would lose our regular customers as soon as it

(Continued on page 196)

### Detroit Edison "Electrochef" Blazes a New Trail in the Stove Industry

NEW company, to be known as Electro-Master, Incorporated, with assets of over one millon dollars, has been formed to take over the manufacture and wholesale distribution of the new electric range recently developed by the Edison Illuminating Company of Detroit, subsidiary of the Detroit Edison Company, and is already turning out "Electrochefs" in the manner of Detroit's more famous industry.

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lose as it The Electrochef, it should be explained, is the new electric range developed by Detroit Edison to provide "something radical to encourage residential electric cooking." It is an entirely new type of cooking device believed to overcome all the objections held against other electric ranges. Briefly, it is said to have the advantages of being simple to operate, the fastest cooker known, handsome in appearance, and inexpensive both as to first cost and as to operation.

Aside from any service ideals, the new device was developed for the specific purpose of increasing the public utility company's household load. Detroit factories, like those in other modern industrial centers, are nearly all completely electrified and the Detroit Edison Company's industrial load hereafter can increase only as these factories expand or as new ones come to town. That being the case, Alex Dow, farsighted head of Detroit Edison, turned his attention to the household load, which seems capable of increasing indefinitely as new household electrical devices are popularized.

It has long been known in public utility circles that an electric range consumes more current than any other electric appliance in the home. The objection was that electric ranges that have been on the market until the present consumed entirely too much current. They were also expensive to purchase and install and were slow in cooking.

For these reasons, comparatively few electric ranges are in use in the 19,000,000 wired homes of the country. According to available statistics on the subject, of the 3,692,557 devices for cooking sold in the United States in 1927 only 110,000 were electric ranges. Another 10,000 were electric wall or flat ranges.

BY J. F. KERWIN

"When it became evident that existing range manufacturers would not undertake the task, our management cast away precedent and authorized a competent firm of production engineers in Detroit to develop suitable equipment," Sarah M. Sheridan, vice-president and sales manager of the Detroit Edison Compnay, said, in describing the inception of the new stove. "In order to attain speed in cooking, economical performance and low price, it was necessary to depart considerably from accepted ideas in range design and manufacture. A product was essential that could be

produced by mass production methods, and consequent low cost. The Electrochef as it now stands is primarily the creation of Warren Noble, of Noble and Harris, consulting engineers—with suggestions and comments from Detroit Edison engineers.

"Electrochef is a new departure in style and principle from typical existing ranges. The range derives its beauty from its structural simplicity, rugged and elemental, stripped to bare essentials and suggesting modernistic design.

"It uses less energy than any of the many other ranges tested with it. Its table elements are 15 to 30 per cent faster and its oven cooks in approximately two-thirds the time.



Faster cooking speed has been attained by radical departures in heating element design, chief of which is the application of radiant heat. This range uses both reflection and convection from a high-speed cooking element.

"The reflector principle used in connection with the surface heating units is an old one, and though experimented with by many manufacturers, has not hitherto been successful, due to tarnishing of the reflector surface and difficulty in keeping it in satisfactory condition. In the Electrochef, this difficulty is overcome by chrome plating, ventilation, and a suitable relation between the reflector surface and the amount of energy dissipated in the heating unit. Thermostatic control, with close regulation of oven heat, makes the Electrochef equal to or better than the other appliances now on the market.

#### Can Cook 20-Pound Turkey

"The one-piece oven with double air-spaced insulation is chrome plated and has no crevices to become clogged with dirt. Mirror-like walls regain their original polish when simply wiped with a damp cloth. There are four reflector-heaters on the cooking table, each element with a separate switch, permitting three heat intensities-high, medium and low. The element provides a flow of instant heat, and the reflectors concentrate all the heat. The oven can cook a twenty-pound turkey and a three-inch steak at the same time. All exposed surfaces of the range (save the bright metal parts which are chrome plated) are finished in porcelain enamel. Cleanliness is assured by the fact that every surface, including the heating elements, is easily accessible and may be washed with soap and water.

It is said that Noble and Harris were about two years in overcoming the obstacles and developing a product that fully met the high standards set by the utility company.

When they had done so a modern factory having a capacity of 100 ranges a day was equipped to produce the ranges by mass production methods.

The first range came off the assembly line on September 5. On September 10 Mr. Dow announced the formation of the new company, saying, "The Detroit Edison Company is now assured that it can secure the product—the urgent need for which started the manufacturing project. We have built in Electrochef the sort of stove our customers have been waiting for and we believe that the new company will continue to supply Electrochefs in large quantities both locally and to

public utility companies in other cities.

"It has not been the intent of the Detroit Edison Company to engage permanently in the manufacture of this or any other electric appliance. Electrochef was designed and offered to the industry because of the conviction that something radical had to be done to encourage residential electric cooking. The factory was established to show that the job could be done."

While details of the transaction were not given out, it is believed that Electro-Master, Inc., bought all the assets of the range manufacturing venture from Detroit Edison and that the public utility company retains only a small ownership interest in the new manufacturing company. Three Edison men are on the board of directors, which numbers nine. Mr. Noble is president.

The new range is being sold in Detroit Edison salesrooms, of which there are eleven in the city. No outside salespeople have been employed or likely will be employed, as Detroit Edison has always been extremely conservative in its sales policies.

conservative in its sales policies.

The retail price of the range is, and has been from the first, \$85. It requires special wiring, however, and

the installed price of \$105 cash, or \$112 on payments, is usually quoted.

This compares with an average price of \$164 (not installed) for all electric ranges sold in the country in 1928 and with \$182 cash (\$227 installed) for a four-burner, all-porcelain electric range of popular make which Detroit Edison also sells. The cost of an Electrochef, therefore, seems to be less than half that of other electric ranges which are at all comparable in size and finish.

Since Detroit could not readily absorb 100 Electrochefs a day, during the first five weeks since Electro-Master got into production, it shipped ranges to ninety other public utilities in quantities of one to fifty each. These other utility companies are giving the new product a thorough trial and it is expected they will stock it for sale.

The wholesale price of the range to other public utilities was reduced 13 per cent as soon as production got well under way, but it is not expected that they will make any large profit on the sale of the appliance. Like the sponsor of the device, they are interested chiefly in the sale of kilowatt hours.



#### Ice Dealers Send Out Truck to Sell Refrigeration

A TRUCK and a refrigeration specialist are the chief weapons being used in an educational campaign by the Association of Ice Dealers of San Francisco.

The enclosed truck carries eight refrigerators of various types, placed on raised platforms. An aisle has been left for visitors to use, and these enter at the front and leave by the rear door where pullman steps are provided. The back is almost solid glass while more light is let in through the roof and side windows.

Features of the ice boxes are explained by the specialist who is also the driver of the truck. Housewives are asked to take up their refrigeration problems with him and he tells them the best type of refrigerator to fit their needs.

## A. & P., at Seventy, Achieves Billion Dollar Sales Volume

BY LAWRENCE M. HUGHES

RECORD of about one billion dollars in sales-by a margin of a half-billion dollars, the largest annual retail volume in the world—was celebrated this week by the Great Atlantic & Pacific Tea Company on its seventieth anniversary. From a number of viewpoints the event is significant.

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This year for the first time the volume of any retail organization will pass the billion-dollar mark.

This volume will practically equal the anticipated annual sales of the three next largest American retail organizations—Sears, Roebuck, Woolworth and Montgomery Ward-com-

It will be half as large as the aggregate sales of some thirty-six chain organizations in various fields for which figures are available.

Until now the A. & P. figures have not been published. Although some 15,000 of their familiar red-front stores now attract 5,000,000 housewives in thirty-four states daily-1,500,000,000 visits in a year-the immensity of their business perhaps has not been realized.

From several standpoints, A. & P. has remained an enigma of American business.

While controlled mainly by the descendants of George Huntington Hartford, who started the chain with one little "branch" on Vesey Street, New York, in 1859, stock has in recent years been issued in increasing amounts to the company's employes, so that there are now over 6,000 employe-holders of common stock, in addition to more than 10,000 employe-holders of first preferred stock. This stock has been sold to the employes much below the current market price.

The least enigmatic phase of the company's activities is the policy on which it has expanded. That policy is, simply, to "keep everything asked for by the public in sufficient quantities to make it profitable for us to handle it."

There is, as an official of the company explains, "no secret about the



success of A. & P. Our stores are depots for the kind of food which a vast number of people have found suitable to their needs. These people have learned that they can get this food in small quantities in the A. & P. stores for only a trifle more than is paid for it by those who buy in huge quantities at the place where it is produced."

Of course, with its tremendous production and buying facilities, A. & P. has many private brands.

Street, New York, to the greatest retailing organization in the world bas been the development of the Great Atlantic & Pacific Tea Company which is celebrating its seventieth birthday this week.

these brands sell in great volume-in greater volume than the most widely promoted nationally advertised brands. But the company carries the products of all manufacturers and pushes these 'national" brands in its advertising.

In the list of retail sales which various investment houses publish, the A. & P., greatest of all, is never mentioned. Its volume and expansion has not been known. At the head of this list is Sears, Roebuck, Chicago mailorder house, which now also operates several hundred retail stores throughout the country. Sears, Roebuck's volume this year will approximate \$450,000,000. Next comes another mail-order house and retail store chain, Montgomery Ward, neck and neck with F. W. Woolworth Company, 5-and-10-cent stores, with an expected \$325,000,000 each. The three of them combined will not far

(Continued on page 186)

### Business Paper Publishers Discuss Problems of Industry at Chicago Meeting

HICAGO, Oct. 22 (By Special Wire). These are stirring and somewhat perplexing days for company executives to steer their respective organizations on to new and greater accomplishments. None appreciate the trials and tribulations of making executive decisions on a rapidfire basis better than the business paper publishers, for no element of the business world is in more constant and extensive contact with all the trends and happenings of industry as a whole. No wonder, then, that members of Associated Business Papers, Inc., should stress matters of major moment at their meeting at the Blackstone Hotel Monday and Tues-

#### Musselman Speaks on Ethics

C. A. Musselman, president of the association, opened the keynote luncheon on Monday with a discussion on the high ethics which the business press is employing not only in the more selfish phases of its business, but particularly in the efforts being made to help industries work out problems peculiar to one field as well as those general to all.

Robert Maynard Hutchins, president of the University of Chicago, discussed "some current problems in business education," during which he drew a clear distinction between educational training from the business point of view and from the social point of view. In the former, he included all of what is more commonly referred to as vocational, professional or business administration training and in the latter he included all of what is more popularly termed the cultural training. He ventured the thought that business itself and the business press, as the greatest single force in educational training from the business point of view, should more closely study and analyze the phenomenon of its own creation in order that business men and business paper editors might more closely and more effectively confer with the university faculties to the end that we all may know, in better perspective, where we

are going and if possible a little more about why. No one could have heard Dr. Hutchins talk without feeling the inspiration of an intellect that pries beneath the accepted and existing order of things and senses deep into the social philosophy of a new generation -a philosophy which is slowly but definitely becoming the outcome of modern life with its breath-taking speed and its overwhelming discoveries and changes. Dr. Hutchins cited figures to show the growth in registration for business, which is to money-making training, matched against this the relatively small number of men that can even ultimately become major executives in companies of major size. No wonder he feels that business at large should seriously study the whole subject of educational training and its relation not only to business but above all its relation to the social point of view.

#### An Age of Rapid Change

Merritt Lum, assistant general manager of chain stores, Montgomery Ward & Company, talked on "Make No Little Plans." Most of his remarks were in the nature of friendly advice to business paper publishers and editors on how they can make their magazines more influential and keep them in full step with the times. He said in part:

in part:

"We are living in an age of speed, of change, of momentum, and of uncertainty. Tomorrow we may be traveling on wings or rockets. Today companies appropriate millions for development and speak overnight by radio to practically the entire nation. Styles no longer move cautiously. Product leadership thought to be unassailable is suddenly bettered by revolutionary discoveries. Sectional habits of decade standing are swept aside. Consolidations are consolidated. Advertising appropriations are increased enormously. The big are growing bigger and the powerful more powerful.

"With all these chamelion-like changes occurring with such unprecedented rapidity, policies become tenta-

tive and the hazards due to sudden change are now grown greater. Business men are often worried, for today no men are too sure of the tenure of their jobs. The shrewd guesser of what to promote and when to promote it is often the most successful. Under such circumstances it is all important that business men be provided with business news with maximum speed and accuracy—that they be given as much reliable research as possiblethat they be given the benefit of cooperation as well as of individual effort on the part of the business press to help guide them through this industrial period when traditions are being overthrown and the future made ever more difficult to decipher. Never was the opportunity greater for courageous editorial leadership and completeness of news service or more needed from the business press and never were the corresponding rewards more promising."

Alfred Reeves, general manager of the National Automobile Chamber of Commerce, spoke on "How Business Papers and Trade Associations Are Working Together."

#### Skinner on Merchandising

Edward M. Skinner, vice-president and general manager of Wilson Brothers, followed with an enlightening treatise on current problems of merchandising. He explained that out of approximately one million retailers 70 per cent are inefficient and soon go out of business. He attributed their getting into business to the fact that many manufacturers are so anxious not to miss out on possible sales that they grow careless of credits and the type and ability of merchants to whom they sell. He pointed out that current trend is away from strictly specialty stores so overhead can be better distributed. He pointed out why manufacturers, in order to insure future stability of markets, are often forced to go into the retail business on a chain basis themselves and why they must work with might and main to improve the business ability of the independent merchants through whom

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#### **New Charts for Old Trade Routes**

When General Outdoor Advertising Company decided to impress national advertisers with the tremendous wealth of the New York market, they engaged expert service to help them present their ideas.

Under General Outdoor Advertising Company's supervision, the right motion picture for the purpose was planned and produced on schedule.

The completed picture is now being shown to national advertisers to prove that it's told to the world if it's told on Broadway.

Motion pictures of the right kind offer the clearest, quickest way to make effective impressions that carry conviction and supply proof. Jam Handy Picture Service is organized to produce pictures that make others see things your way.

Fourteen years of successful experience has developed a skilled staff of over a hundred persons highly specialized in making industrial motion pictures and lighted still pictures for sales education and service instruction.

On the technical side, Jam Handy Picture Service has the largest studios and laboratories in the world devoted exclusively to the production of commercial pictures and is producing on a scale that gives you the benefits of big volume economies.

Every picture we have ever made has helped to accomplish the buyer's purpose.

#### Jam Handy Picture Service

Jamison Handy, President

6227 Broadway, Chicago

NEW YORK, CHANIN BLDG.—DAYTON, 887 REIBOLD BLDG.—CLEVELAND, HANNA BLDG.—DETROIT, GENERAL MOTORS BLDG. REGIONAL SALES AND SERVICE REPRESENTATIVES AT PRINCIPAL POINTS THROUGHOUT THE U.S. STILL AND MOTION PICTURES—PROJECTORS—ANIMATED DRAWINGS—SCREENS—SLIDEFILMS

they distribute. While he did not decry distribution through chain stores, he indicated the danger of getting too many eggs in one basket by citing the case of one manufacturer who was forced to liquidate when a big chain bought up a small chain to which his product had been formerly exclusively sold and when the big chain required him to make an investment in their stock which he was financially unable to make.

Mr. Skinner referred to ensemble selling, of which he is acclaimed the originator, as an effort to sell to men on the same plan that clothes have been qualitatively and quantitatively sold to women for years past. Har-mony in dress is the real keynote of ensemble selling and women have been educated on this score far beyond

the present ken of men.

Mr. Skinner closed by expressing the belief that independent retailers will always find a place in the business order of things, particularly when they offer the public what it wants, when it wants it, and at the right price. He said that personality is the greatest single asset of the retailer and that personality is the best factor in placing quality and service above price in the selling of goods.

#### Ninabuck Describes Methods

The afternoon's program was closed by William N. Ninabuck, advertising manager of the International Harvester Company, who described the advertising methods of his company and its attitude toward the constructive function of the business press.

Tuesday morning's joint session of Associated Business Papers and the National Conference of Business Paper Editors was presided over by Douglas G. Woolf, president of the latter. Glenn Griswold, editor of the Chi-cago Journal of Commerce, opened with a talk on the news demands of business in which he stressed the point that the main news appetite of men of affairs runs toward the interpretative type, which is of real assistance to them in forming conclusions on matters of management and policy requiring executive decision. Quicker news and information about industries other than their own seems to be the chief demand of the day with emphasis on distribution rather than production matters. They want the facts on competitive industries and particularly the answer to why certain companies are able to pay larger dividends. Knowledge about business at large, he said, has come to be a prime requisite of the modern executive whose responsibilities are centered today around public relations and administration policy rather than the details of active operation.

G. Miller, of the Business Week, in the discussion which followed suggested that interpretation consist of 40 per cent old facts, 40 per cent new facts and only 20 per cent interpretation proper.

Samuel O. Dunn, editor of Railway Age, spoke on making business leaders conscious of editorial interest. He

said in part:

'The people of the United States are much more prosperous than those of any other country are now, or ever were. Wages are partly the cause but great per capita production and marketing is due to our adoption of improved machinery and improved methods of production, organization and distribution, all resulting in an unprecedented output a man-hour of labor. In the railroad field invested capital an employe was \$15,000 in 1928 or almost 50 per cent greater than in 1917, though the number of employes was less in 1928 than 1917.

#### Best Brains in Business

"A prominent English manufacturer recently said to me, 'Your American industries are the most efficient in the world. In England there is still a tradition that there is something a little discreditable about engaging in trade and so, usually our best brains go into politics, the law or other professional pursuits, while in the United States success and leadership in business are so highly regarded and valued that your best brains go into business. In England, sons often succeed their fathers in management of a business, while in your country regardless of who owns the business, the ablest men have opportunities to rise to dominance of its management. You have better business and technical schools and much better trade and business papers. In consequence obsolete methods are promptly scrapped almost regardless of capital investment required.

"The advertising salesmen of business papers have succeeded in getting manufacturers effectively to advertise their products, especially those products that are new or in which improvements have been made and have thereby helped to increase the demand and enlarge the markets for these things and have as surely made a real contribution toward progress in American industry. The railways used to indulge in rebates to shippers and were denounced for it and this

was finally made illegal.

"One of the worst practices prevalent in American business today is what is known as reciprocal buying. In the railroad business, it takes the form of railways using their purchases to influence the routing of traffic and of large shippers using the power to route their traffic to try to dictate to the railways what they shall buy and from whom they buy it. Railway Age has repeatedly attacked these practices as unfair competition and unsound business methods. They are now being investigated by the Federal Trade Commission and Interstate Commerce Commission. The large majority of American business men want to avoid all forms of unfair competition. They are generally truthful when they say they do these things because everybody is doing them, and they are generally prone to cooperate with worthwhile endeavors to eliminate unfair practices.'

John M. Carmody, editor of Factory and Industrial Management, devoted his address to sensing new trends in industry. He said that the two great forces in effecting changes are the progress of scientific discovery and the influences at work in human society that cause changes in public taste and popularity. He made an urgent and inspiring plea that business paper editors keep posted on the movement of these two forces which so completely determine human intelligence and motives and apply their knowledge toward steering the industries served by their respective journals to meet obstacles successfully and capitalize opportunities to the maxi-

#### Must Cater to Rapid Reading

Arthur D. Anderson, editor of Boot and Shoe Recorder, completed the morning's program with a talk on new reading habits of the business man. He said editors of all types must today have mastery of subject, presentation and reception, the last being the most difficult and in many ways the most important. He urged editors to eradicate what he nicely described as dull tonnage of words and to effect a realignment of makeup, heads and copy calculated to cater to the speed of modern reading and the pressure under which reading is practiced. He described modernism as the shortest distance between desire and accomplishment and pictured color as being music to the eye. He emphasized the importance of applying modernism and color to journalism and advertising.

At the luncheon which followed, the reports of various officers were received and new officers were elected: President, G. D. Crain, Jr., editor, Class and Industrial Marketing; Vice-

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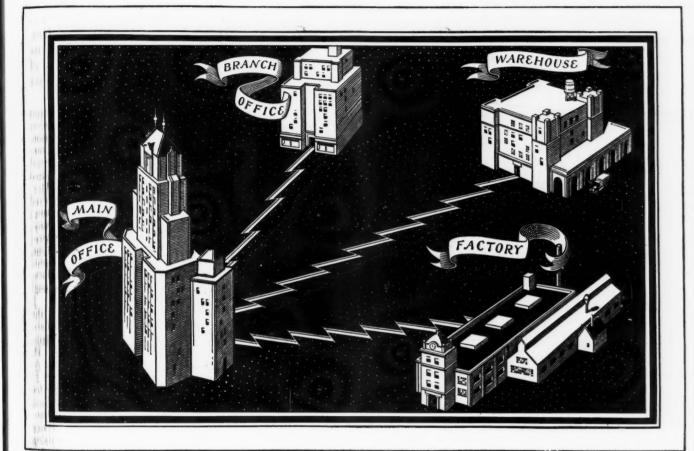
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# 2 or 22 connected offices receive the message Simultaneously



Special arms of the telephone service are being called into use more and more by business concerns. These Bell System private wire services have been developed to fit the varying needs of business.

Telephone Typewriter Service, one of these special arms, is a quick, accurate method of inter-office communication.

It connects main office with branch houses, factories and warehouses for instant type-written communication. It is just like having all of your units under one roof. As large a number of points as desired can be reached at the same time on the same circuit.

Telephone Typewriter Service is being used increasingly by electric light and power companies, manufacturing firms, newspapers, press associations, investment security houses, brokerage and bond concerns, banks and government departments.

Would this special arm of the telephone service bring development and profit to your business? It can be tailor-made to suit your special needs.

#### Meat Packers Adopt Marketing Code; Study Chain Rise

A code of trade practices was adopted this week by the Institute of American Meat Packers, meeting in Chicago, under which secret rebates, secret concessions or allowances, obscuring of prices at which goods are sold, discrimination between buyers, the use of premiums with goods, lowering of prices, misleading or false statements about grade, quality or preparation of any packing house products, and the making of defamatory statements, were ruled against.

The code was drawn up at the suggestion of Secretary of Agriculture Hyde. In a talk before the institute's convention Gordon C. Corbaley, president of the American Institute of Food Distribution, emphasized the importance of the "personal" element in the development of American business. "The perishable character of your commodities has made necessary the building of a great machine for intimate service," Mr. Corbaley said "You packers were the pioneer food group to organize distribution on a truly national basis, but you have been the last to feel the change in food distribution.

"You will have to gear your vast machinery of merchandising to the new food shops growing out of the ruthless warfare that has been waging between the chains and voluntary chains of independent retailers. Out of that competition in the last twelve months have developed more than 12,000 retail departments selling meat, and new ones are being added every day."

#### McTammany Will Direct Goodrich Rubber Sales

Robert McTammany has been appointed general sales manager of the B. F. Goodrich Company, Akron, succeeding L. A. McQueen who has resigned.

Mr. McTammany has been with Goodrich for twenty-four years—at one time as Central district manager of tire sales, and more recently with the merchandising staff.

#### Acquires Emerson Company

Emerson's Bromo Seltzer, Inc., has been organized under the laws of Maryland, as a holding company to acquire practically all of the outstanding stock of the Emerson Drug Company, manufacturers of bromo seltzer, and all of the stock of the Maryland Glass Corporation, both of Baltimore.

#### Steamship Lines Plan More Advertising

Steamship lines are now spending more than \$8,000,000 annually in the United States to advertise trans-Atlantic travel, it was reported by representatives of leading companies meeting in Brussels a few days ago. Tentative decision was made to increase their promotion efforts next year. The Brussels meeting, which was a subcommittee of the Atlantic Conference, prepared subjects for final decision at a meeting of the principals of the lines which will be held at the Hotel George V, in Paris, October 31.

At present the largest advertiser in the United States among trans-Atlantic steamship companies is the Cunard, with an appropriation of \$579,508. The French Line is second, with \$436,030, and the United States Line third, \$322,662.

#### Dornier, DO-X Designer, Joins General Motors

Dr. Claude Dornier, head of the Dornier Metallbauten of Friedrichshafen, Germany, and builder of the DO-X flying boat which this week flew for an hour over Lake Constance in Switzerland carrying 169 persons, has become a consulting executive of the Fokker Aircraft and General Motors corporations. The Dornier Corporation of America has been organized by these companies to manufacture flying boats of his design. General Motors has a half interest in the Fokker Corporation.

#### Scripps-Howard Appoints Advertising Executives

Several advertising executive appointments have just been announced by the Scripps-Howard Newspapers—Plez R. Pettit becoming advertising manager of the Cincinnati Post, Clinton E. Morrill, Roy L. Powers and O. C. Brown national advertising managers, respectively, of the Buffalo Times, Houston Press and New Mexico State Tribune.

In his new capacity Mr. Pettit succeeds Lynn O. Roark, resigned. Robert F. Stayman takes Mr. Pettit's place as national advertising manager; H. W. Manz becomes local advertising manager, and Robert E. Segal will have charge of promotion.

#### Screen as a National Medium Is Keynote of Detroit Forum

The functions of the National Screen Advertising Bureau, recently organized to represent film advertising companies who control the advertising franchises on 80 per cent of the theatres in the United States in which screen advertising is carried, will be presented at the annual meeting of the Screen Advertisers' Association at the Hotel Statler, Detroit, October 31-November 2.

The bureau will assist advertisers in the production of suitable films for distribution to theatres, explained James P. Simpson, of Dallas, president of the association. It "handles the distribution of such films to its members, the Distributing Service Companies, which distribute the films to the individual theatres, supervise the projection, and secure proof of showing for the national advertiser and agency."

Speakers scheduled to address the Detroit meeting include: Clinton F. Berry, Union Trust Company, Detroit; W. Johnson, Motion Picture Advertising Service Company; John E. Grimm, Jr., General Motors Corporation; J. O. Woltz, United Film Ad Service Company; J. Don Alexander, Alexander Film Company; J. Fred Woodruff, Campbell-Ewald Company; Mike McInaney, Alexander Film Company; A. V. Cauger, United Film Ad Service; Douglas D. Rothaker, Rothaker Films, Inc.; Edward F. Stevenson, Visugraphic Pictures, Inc.; C. A. Rehm, Atlas Educational Films, Inc.; Otto Nelson, National Cash Register Company; George J. Zehrung, Motion Picture Bureau of the Y. M. C. A., New York; George A. Blair, Eastman Kodak Company; R. V. Stambaugh, Artfilms Studios, Inc.; O. H. Briggs, Dupont Pathe Film Company; A. M. Botsford, Publix Theatres, Inc.; J. E. Strietelmeier, Select Advertising Service Company; W. Johnson, Motion Picture Advertising Service Company; George L. Fix, Fix Advertising Service Company; W. H. Taylor, Campbell-Ewald Company; H. E. Griffin, Artfilm Studios, and Del Gilpin, United Film Ad Service Company.

#### Paris Agency Formed

The firm of Ewing, Brace and Bullwinkle has been formed with offices at 39 Rue Cambon, Paris, to act as marketing counselors and advertising agents for companies doing business in France and other European countries. The organization is associated with Ewing, Jones & Higgins, Inc., New York and Philadelphia advertising agency.

#### Bristol-Myers Name Changed

Coincident with the sale of Bristol-Myers Company to Drug, Inc., which has just been effected, Bristol-Myers Company has been dissolved, and its name changed to B-M Proprietary Products, Inc. 1929

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MARION

COUNTY

© 3 out of every

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ERE is how The News' total circulation of over 136,000 is concentrated. Note that 86 out of every 100 Marion County (Indianapolis) families read The News and that the A-B-C Trading Territory—within the forty-five miles radius—is covered in an unusual manner. Here is circulation volume, concentrated in proportion to density of population and applied to an important, prosperous market.

The News...ALONE...Does the Job!



# The INDIANAPOLIS NEWS Who The Indianapolis Radius

DON BRIDGE, Advertising Director

New York: DAN A. CARROLL 110 East 42nd St.

J. E. LUTZ Chicago: Lake Michigan Bldg.

#### Canada Dry Head Lauds Press; A. B. C. Seeks More Members

"Six years ago our company was a total stranger to most of you and to the millions of people who make up the audience of the newspapers you represent," declared P. D. Saylor, president of Canada Dry Ginger Ale, Inc., at the luncheon of the Bureau of Advertising, American Newspaper Publishers' Association, in Chicago, Wednesday. Telling of the part advertising has played in the growth of Canada Dry, he said:

"Frankly, our hand was forced a little quicker than we had planned. Our New York factory soon became too small to supply the growing demand. We established a larger, more modern factory, at Hudson, New York, to take care of the Eastern jobbers, who were getting calls for Canada Dry from their dealers and who wanted to distribute it.

"From the beginning of this expansion we adopted the plan of securing distribution first, then supporting this distribution with a consistent advertising program to consumers in their local newspapers.

"A second factory, to supply the West and Midwest, followed, naturally, and it was established right here at Maywood, Illinois. Here the same procedure was followed. And today, in a little more than six years, from a modest appropriation in two or three newspapers, the company which I represent has become the annual purchaser of more than 5,000,000 lines of space in 750 daily newspapers. Newspapers which wield a tremendous influence over the lives and buying habits of millions of people from Maine to California, and from Canada to the Gulf of Mexico. And this modest expenditure in newspaper advertising in 1923 has grown to an amount totaling considerably beyond \$1,000,000 for 1929."

Mr. Saylor urged dealer education, "If you help us indeclaring: culcate the wisdom of the profit to the dealer in quick turnover and large consumer demand of products which are known to consumers, you are making better merchants of the retail dealer because you are helping him make more money. And you are helping us because you are aiding us in exactly the same thing, and you are helping yourselves because you are heightening the value of your newspaper as a medium for nationally advertised products.'

Wider participation by national advertisers and agencies in the activities

of the Audit Bureau of Circulation was urged by P. L. Thomson, its president, in his annual report before the convention, which opened in Chicago Thursday.

Following is the membership as reported by Mr. Thomson:

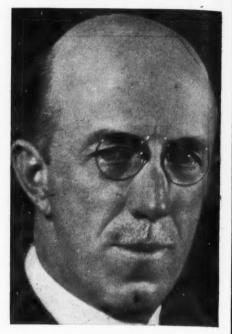
National Advertisers 154
Local Advertisers 51
Advertising Agents 182
Newspapers 1,040
Weekly Newspapers 25
Magazines 193
Farm Papers 73
Business Papers 262
Miscellaneous 1

activities. He declared:

"The present situation in the British press strikingly illustrates the need. It is reminiscent of our own situation in America twenty years ago, for both in London and among the provincial press a controversy is being waged between papers which advocate and practice the policy of publishing their 'net sales' and others who as stoutly refuse to disclose their figures. While our own bureau has, of course, as an organization, no interest in extending its operations abroad, it is, I think, a matter of interest to all of our membership that progress in clearing up this unhealthy situation abroad is being made, and it seems reasonable that we should give of our experience to those who are undertaking this reform over there. Many of our own advertiser and agency members operate in Europe and have an immediate financial stake in being able to buy their circulation by a definite yardstick. I think our publisher members in America also have a genuine interest in seeing standards of circulation measurement set up abroad and a financial interest as well in more business from foreign advertisers. So long as advertisers abroad have to buy their circulation there on indefinite representations they are bound to be skeptical of publishers' claims anywhere."

#### Canada Dry Wins Suit

A suit brought by Canada Dry Ginger Ale, Inc., in the Massachusetts Supreme Court against the Canadian Club Corporation of Boston, over the trade-mark "Canadian Club," has been decided in favor of the plaintiff. The defendants have been ordered to stop using the trade-mark.



P. L. Thomson, president, Audit Bureau of Circulations.

#### \$8,000,000 in Advertising for New Gillette Razor

From \$8,000,000 to \$10,000,000 will be spent in advertising in the next few years by the Gillette Safety Razor Company, Boston, to promote a new razor and blade, the results of many months of experiment, which has just been perfected and will be put on the market early next year.

Tentative production plans call for 80,000 new razors a day or more than

20,000,000 a year.

#### Oakland Promotes Shaffner

W. L. Shaffner, formerly fleet sales manager for the Oakland Motor Car Company, has been appointed assistant sales promotion manager. Mr. Shaffner was at one time manager of the sales development department of General Motors Truck Company, assistant sales manager of the Acme Motor Truck Company, and was also connected with the truck tire division of the B. F. Goodrich Rubber Company.

#### Skelly Pushes Aviation Oil

The Skelly Oil Company has created a new department for marketing their aerodynamic gasoline and airplane oil, to be known as the Aviation Sales Department, with headquarters in Tulsa, and under the direction of A. F. Winn. For ten years Mr. Winn has been manager of the company's traffic department, a position he will retain.

#### New Municipal Paper

Municipal Sanitation, a monthly publication, will be launched January 1 by the Case-Shepperd-Mann Publishing Corporation, New York City. Abel Wolman, engineer of the Maryland State Board of Health, is editor.

# The choice

This Section represents the area within a 500-mile radius of Louisville. Each state is drawn to size consistent with population (U. S. Census.) Hence distortion of circle.

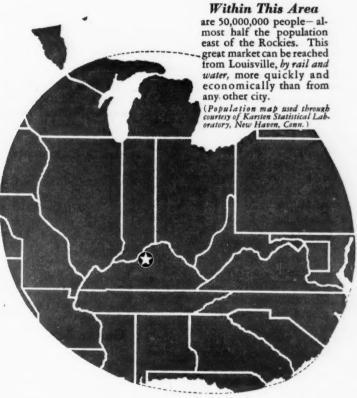
Competition, with its increasing response to hand-to-mouth buying, is forcing the manufacturer into active defense.

To satisfy the insistent consumer demand for quicker shipments and reduced inventories, establishment of branch plants is the logical first step.

#### Get the FACTS About Louisville

To the manufacturer whose balance sheet reflects the inroads of competition, Louisville offers a unique combination of economies in both manufacture and distribution-economies proven by savings of from 12 to 20 per cent.

In the heart of a region proverbially rich in raw materials, Louisville combines economical accessibility to the choice cut of American markets with the low-cost-production facilities of the South. . . Eight trunk-line railroads augmented by the inland waterways system just modernized at a cost of \$125,000,000. . . Intelligent, dependable, American-born labor.



To the interested executive, the Louisville Industrial Foundation-a non-profit organization-will furnish detailed data on: Shipping costs, prevailing wage scales, power rates, real estate values, tax exemptions, etc. Strict confidence. No obligation.

LOUISVILLE INDUSTRIAL FOUNDATION 443 Columbia Building, Louisville, Ky.

LOUISVILLE

CENTER OF AMERICAN MARKETS

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#### Here's the Answer to "What Happens to Window Display Material?"

Forty-four per cent of national advertisers in the drug field, replying to a questionnaire recently sent out by Charles J. Hauk, Jr., of Corporate Advertisers, Inc., New York, employ their own force to make window display installations while 56 per cent do not.

Seventy-two per cent of the replying firms said that they sometimes employ window display installation services, and 28 per cent do not.

Here is the questionnaire and answers:

Do you employ your own force to make window display installations?...

Do you ever employ window display installation services?

Do you mail display material directly to retailer, either at his request or un-

Of the total number of window display purchases, what percentage, in your opinion, is actually displayed? . . .

What is the average life of the dis-

Do you favor the use of a cooperative display of non-competitive products during off-season? .....

Do you purchase more than one set of window displays per store, per year?

Do you get any cooperation from individual wholesalers in obtaining window displays? .....

Do you think that the window display manufacturer should depend primarily on competitive price appeal and efficient manufacturing? ......

Do you think that the window display manufacturer should be familiar in a general way with conditions in the trade (such as, wholesaler and retailer attitude toward the product to be

featured; locations of key retail outlets; sales volume of the product; degree of efficiency of installation services, and so forth)?

52.9 62.5 25

#### Washington Apple Growers Double Fall Program

One hundred thousand dollars will be spent in advertising this fall and winter to get 6,000,000 boxes of Washington apples from the growers to consumers—the cost being borne by the growers as they are shipped, and by the shippers and the brokers. The orchardists pay a half-cent a box, the shippers two dollars a car, and the

brokers fifty cents a car.
Four chief species of Washington apples—Jonathans, Delicious, Rome Beauty and Winesaps—are being promored in this order as they are picked and packed. The campaign represents an increase of \$50,000 over that of last year.

Besides the newspaper space bought in cities where distribution is gained, there will be radio programs featuring each apple in season. Posters and window displays for dealers are designed with different color combinations to mark the advent of each apple. A color scheme of black and yellow has been adopted for the Jonathans, the apples of the season of Halloween, and special attention is being devoted to National Apple Week, the last in October.

The Washington Boxed Apple Bureau, Seattle, is in charge.

#### Ayer Opens Detroit Office

N. W. Ayer & Son have opened an office in the Penobscot Building, Detroit, under the direction of Frank L. Scott, Jr.

#### Lumber Men Appoint Market Survey Heads

44.4% 55.6%

1.6 weeks

White & Parton, Inc., marketing counselors, and Gregg & Company, engineers, both of New York City, have been retained by the National Lumber Manufacturers' Association, Washington, D. C., to devise and submit plans for conducting a continuous survey of prospective lumber requirements, to be submitted to the December meeting of the association's board of directors. This step carries into effect a resolution approved by the board last

The services of the Metropolitan Life Insurance Company have also been availed of by the association in obtaining data for the survey.

#### Gunite Appoints Mohr

Edwin J. Mohr has joined the Gunite Corporation of Rockford, Illinois, as manager of industrial sales. Gunite, a graphitic steel, is said to offer possibilities for less waste, greater strength and longer wear for machine parts.

Mr. Mohr for many years was sales manager for the Kinite Corporation of Mil-

#### Aluminum Opens on Coast

Aluminum Industries, Inc., Permite-Diamond products, have opened a branch office in San Francisco, to be directed by Robert E. McGill and Edward R. Brazel, who have become western manager and district manager, respectively. The company is also opening a branch in Los Angeles.

#### Presbrey Moves Office

The Philadelphia office of Frank Presbrey Company is now located in the City Centre Building, Broad and Cherry Streets, there.

#### Industrial Leaders to Study Selling at Ohio Meeting

"Readjusting business policies to fit the consolidation era" will be discussed by the executive heads of nine well-known companies, the names of whom will be announced later, at a management conference of Ohio industries, to be held at Columbus, November 20. Producers, distributors and credit agencies will be represented. The meeting is sponsored by the Ohio Manufacturers' Association, Ohio Bankers' Association and the Ohio State Council of Retail Merchants, in cooperation with the Metropolitan Life Insurance Company of New York.

Subjects on the program are: "Finding the Way Out of the Distribution and Marketing Maze," "Building for Profits on the Foundation of Consumer Good Will," "The Manufacturer's Responsibility to His Dealers," "Tapping the Man-Power Resources in the Sales Organization," "What's Ahead in Retail Distribution," "The New Cooperation Among the Manufacturer, Merchant and Banker," and "Gearing Up Transportation to Serve the Distribution Age."

#### Henry C. Houck

Henry C. Houck, manager of the merchandise department of the General Electric Company, died at his home in Bridgeport, Connecticut, on October 15, after a long illness. He was with General Electric for thirty years.

, 1929

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1.2

2.9

2.5



MONSIDER the buyer-your customer. Bankers, insurance men and Other allied groups have done it. They have concentrated their establishments within a radius that lets the customer focus his energies centrally, to do his business easily, quickly, at less cost, Witness, Wall Street, La Salle Street.

The principle is established. Economies in business, affecting the profits of all suppliers and the thrift-habits of consumers, have forced the issue.

Manufacturers, distributors and importers of general merchandise are capitalizing the advantages of the established principle. They want to be where the crowds come to buy. That's why they'll be in the Merchandise Mart... at the center of things where buyers from everywhere will naturally concentrate their buying.

At the nation's crossroads, within a night by rail and four hours by air of 65% of the country's retail out-

building. This rhomboid structure is a normal

two blocks in length. It will be of 18 floors with a central tower rising an additional six floors. It will incorporate every modern feature

for the transaction of business, making

it unnecessary for the merchant buyer

to leave the building once during his entire market shopping.

lets, the Colossus of Marketplaces is being made ready to accommodate entire industries on single 200,000 square-foot floors. To such a center will come merchants to select merchandise assembled from the four corners of the earth. Buying will be done with ease. And oftener. This great merger of functions invites you to participate in the larger profits that will accrue to all. On your floor there still are desirable sales, display and flexible storage spaces. But hurry! Occupancy early in 1930. Request blue prints and other information. Address,

### THE MERCHANDISE MART

215 West Wacker Drive, Chicago

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C. E. COYLER, member of the export department of Servel Sales, Inc., for the past partment of Servel Sales, Inc., for the past two years, has been appointed export man-ager. . . . R. C. Frettag is now gen-eral advertising manager for the Sterling Motor Truck Company, Milwaukee. For four years he has held a similar position with Kiesel Motor Car Company Harford with Kissel Motor Car Company, Hartford, Wisconsin. . . BAIRD HALL, formerly on the copy staff of Calkins & Holden more recently advertising manager of the Utility Company, Inc., has joined the copy department of Hazard Advertising Corporation, New York. . . H. J. BIDDLE, who was assistant manager of the Detroit office of General Motors Export Detroit office of General Motors Export Corporation, is new export manager of the Oakland Motor Car Company. Before joining G. M. E. C. Mr. Biddle served in various capacities with Delco-Remy. In his new position he succeeds CECIL THOMPSON, who has been assigned to the domestic sales department. . . T. A. CALHOUN is now directing the sales of Duplate, a shatter-proof plate glass, with the Pittsburgh Plate Glass Company. Previously he was sales manager of the Triplex Safety Glass Company. . . JAMES J. JACOBSON has left the Tulip Cup Corporation in the container and package mer-J. JACOBSON has left the Tulip Cup Corporation in the container and package merchandising field to join the sales organization of Einson-Freeman Company, Inc., window and store display merchandising service, New York. . . . GEORGE E. NELSON, for ten years with the Michigan division of the National Lamp Works, has been made general manager of the northern division, succeeding O. F. STUEFER. . . . M. ALVAH BLANCHARD will succeed DANA F. WOODMAN as assistant Fastern adver-F. WOODMAN as assistant Eastern advertising manager of the Christian Science Monitor, with headquarters in New York.
. . . HARRY J. BIRTLEY, formerly salesman for the Consolidated Appraisal Company, has joined the New York advertising staff of the Monitor. . . R. J. WORTHINGTON is now production manager of the Charles H. Touzalin Agency, Inc., Chicago. He was recently in charge of production and service for Henri, Hurst & McDonald, Inc., there. . . . WALTER S. STANLEY has been appointed head of the newly formed aeronautical division of Vanderhoof & Company, Chicago agency.

Previously he was with the John H. Dunham Company, now Dunham-Lesan Company.

L. M. Wood, formerly with the advertising department of the San Francisco News, and more recently with the San Francisco Examiner, has joined the advertising staff of the St. Louis Globe-Democrat. . . Miss Florence L. FAHY has succeeded FRANKLIN CUSHNER as secretary of the Guild of Free Lance Artists, New York. . . . HENRY NATHAN, who has been vice-president of the Shuman-Haws Advertising Company, Chicago, is now an account executive with the Porter-Eastman-Byrne Company there. RICHARD B. TANT, for many years theatrical manager for the Shuberts, and more recently associated with Barron G. Collier, has joined Criterion Service, Inc., New York, as special representative servicing theatrical accounts. . . . ALFRED BODE has been appointed advertising manager for Germany, with offices in Berlin, for the Christian Science Monitor.

#### California Establishes a "Scenic Reserve"

Following closely upon the launching of a campaign of the Standard Oil Company, California, to crystallize public opinion against outdoor advertising in scenic locations, the San Francisco board of supervisors has passed an ordinance prohibiting outdoor posters on sixteen of the city's larger boulevards; and the State Chamber of Commerce announces a "scenic reserve," the first in California, comprising Del Monte and the Monterey peninsula.

The Chamber, however, first conferred with the outdoor advertising firms and obtained their approval and cooperation.

#### Roy Barnhill Wins Restraint Suit

The suit of the Collegiate Special Advertising Agency, Inc., against Roy Barnhill, Inc., William B. Littell, Donald H. Hoagland, Ernest M. Murray and W. Roy Barnhill, was decided in favor of the defendants by Justice John Ford in Supreme Court, New York, this week.

The Collegiate agency and Roy Barnhill, Inc., are advertising representatives for college periodicals. The other defendants are Barnhill officers. The plaintiff claimed that the defendants conspired to destroy the plaintiff's business by unfair competitive methods such as the circulation of statements reflecting upon the plaintiff and interfering with the latter's contractual relations with third persons.

#### American Radiator to Expand

The American Radiator and Standard Sanitary Corporation is negotiating for the C. F. Church Manufacturing Company, makers of bathroom fixtures, and the deal is expected to be closed in a few days. The Church company would become part of the American Radiator's "whole unit" policy, operating under their control.

#### Electrolux Names Boyle

Howard S. Boyle, for several years director of sales education for the Standard Gas Equipment Corporation, has become sales promotion manager for Electrolux, a gas refrigerator, and will make his headquarters at the Evansville, Indiana, plant of Servel, Inc.

#### Open Des Moines Office

Cone, Rothenburg & Noee, Inc., publishers' representatives, have opened an office in the Insurance Exchange Building, Des Moines, under Martin M. Mauger.



INTERCONTINENTAL MOTORS CORPORA-TION (not International Motors Corporation, as reported in the October 19th issue), export advertising account, has been placed with Jordan Advertising Abroad, Inc.

Anthracite Institute, New York City, to N. W. Ayer & Son, Inc., there.

CONSOLIDATED COACH CORPORATION, Lexington, Kentucky, (operating inter-city motor buses in Kentucky, Ohio, Indiana and Tennessee) to Potts-Turnbull Company, Chicago. Effective November 1. Newspapers in these states.

MOTOR TRANSIT MANAGEMENT COMPANY, Chicago, Greyhound Lines in certain of its Southern territory not previously handled as part of general account, to Potts-Turnbull Company.

HAMILTON RUBBER MANUFACTURING COMPANY, Trenton, New Jersey, to Geare, Marston & Pilling, Inc., Philadelphia and New York. Magazines and farm papers.

DEXTER HORTON NATIONAL BANK, (merger of three largest banks in Seattle and eight smaller banks), to Erwin, Wasey & Company, Seattle. Separate account of new First Seattle Dexter Horton Securities Company to the same agency. Newspapers, outdoor and direct mail.

DUFFIELD & COMPANY, New York City, publishers, mail-order book advertising campaign, to Charles C. Green Advertising Agency, Inc., of that city. Newspapers and magazines.

DEMIRACLE CHEMICAL COMPANY, New York City. DeMiracle depilatory, to Charles W. Hoyt Company, Inc., there.

JOHN RUDIN & COMPANY, Chicago, publishers, to Vanderhoof & Company, of that

Bassick Company, Bridgeport, Connecticut, furniture, hardware and hardware equipment for cars, to Charles H. Touzalin Agency, Inc., Chicago.

BOYNTON & COMPANY, Chicago, embossed and cut mouldings, turnings and dimension stock, to Earle Ludgin, Inc., there.

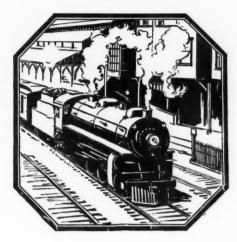
STOVERS, INC., Detroit, to Brinckerhoff, Inc., Chicago. General magazines and newspapers.

MEDI CREME, INC., Baltimore, Medi Creme, to Campbell, Lowitz & Whiteley, Inc., New York City. Newspapers.

ADAPTO SHOE COMPANY, INC., New York City, to Addison Vars, Inc., there. Newspapers and magazines.

HUDSON COAL COMPANY, Scranton, Pennsylvania, to the Eugene McGuckin Company, Philadelphia.

PLATT & MUNK COMPANY, New York, children's books, to the Charles C. Green Advertising Agency, Inc., there.



### Why the Railways

#### Are Spending Liberally for Improvements

 ${f T}^{
m HE}$  fact that the steam railways have boldly invested capital in better tracks, buildings, signals, yards, locomotives and cars, shops, shop equipment and other railway facilities is responsible in no small degree for the present remarkably efficient railway service, reduced operating costs, and record railway earnings.

That is why liberal expenditures for products and equipment that will promote efficient operation are recognized today, more than ever before, as a profitable investment. And as a result, railway improvement programs are going forward on a scale which indicates a material increase in purchases during the remainder of this year and in 1930 . . . with a bigger railway market for manufacturers.

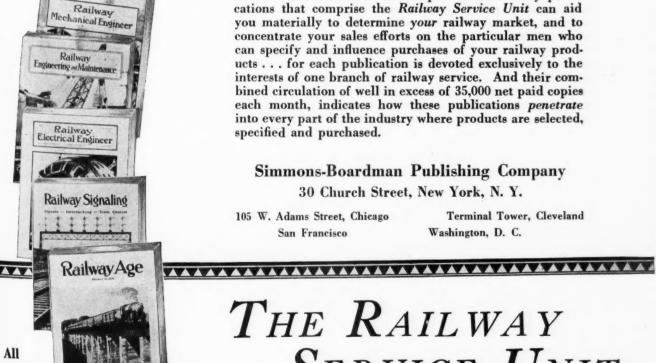
The five Simmons-Boardman departmental railway publications that comprise the Railway Service Unit can aid you materially to determine your railway market, and to concentrate your sales efforts on the particular men who can specify and influence purchases of your railway products . . . for each publication is devoted exclusively to the interests of one branch of railway service. And their combined circulation of well in excess of 35,000 net paid copies each month, indicates how these publications penetrate into every part of the industry where products are selected, specified and purchased.

#### Simmons-Boardman Publishing Company

30 Church Street, New York, N. Y.

105 W. Adams Street, Chicago San Francisco

Terminal Tower, Cleveland Washington, D. C.



A. B. C. A. B. P. THE RAILWAY SERVICE UNIT

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Published monthly, supplemented with bulletins and covers daily newspapers, farm papers, general magazines, business papers, and Radio Broadcast Stations

# To select the proper advertising mediums, you need

#### STANDARO RATE&DATA SERVICE

IT GIVES up-to-theminute information on rates, discounts, color and cover charges, special positions, classified advertising and reading notices, closing dates, page and column sizes—and circulations on publications in the United States and Canada.

Complete information on Radio Broadcasting rates is also given.

--- USE THIS COUPON! ---

#### Special 30-Day Approval

#### Order

Standard Rate & Data Service, 536 Lake Shore Drive, Chicago, Illinois.

You may send us-prepaid—the current number of Standard Rate & Data Service including the Radio Section, with all bulletins since it was issued, which we are to have the privilege of using 30 days.

If we are not convinced of the value of the Service at the end of that time, we shall return the issue and our obligation is ended. Otherwise, you may consider us subscribers and send a revised copy each month for one year. It is to be maintained by bulletins issued every other day, and we understand the cost is \$30.00 per year (Canada and Foreign, \$35.00).

Firm Name	
Street Address	
City	
State	
Individual Signing Order	0
Official Position	

#### A. & P., at Seventy, Achieves Billion Dollar Sales Volume

(Continued from page 173)

exceed A. & P. The largest chain in the A. & P.'s own field, for which figures have been published—the Kroger Grocery & Baking Company, which has some 5,000 units throughout the Middle West—will do this year about \$270,000,000.

In other respects A. & P. is no less unique. Among the four retail leaders, it is the only one not now selling on a completely nation-wide scale. Its 15,000 stores are in thirty-four states and in Canada. It has none west of Omaha and Abilene, Texas, and the great bulk of its business is concentrated in the larger cities east of the Mississippi. And yet A. & P., with the possible exception of the Hudson Bay Trading Company, the oldest chain organization in North America, had nation-wide ambitions, far in advance of any of the others.

#### George Hartford's Dream

George Huntington Hartford started his first tea and coffee store in New York seventy years ago. He took the name, Atlantic & Pacific, to symbolize his ideal to extend the chain across the country. There was talk then of the iron trail which was soon to bridge together the two oceans. It was ten years before the Union Pacific realized this transportation dream. George Hartford's dream, however, has not yet been realized as to geographical extent—although his successors have seen the development of an institution far greater perhaps than he ever imagined.

From the start Mr. Hartford entertained the idea of a chain. The Vesey Street store was not the limit of his first activity. He regarded it as a "branch." He decided to operate several stores simultaneously and to make these stores unique in that they would show but little profit for each dollar passed over the counter. His first efforts were confined chiefly to the sale of tea and coffee. It was some years before he began to expand aggressively. Toward the end of the last century, however, A. & P. stores were being operated in a number of large cities, specializing in tea, coffee and spices, and serving as bases for wagon routes operating in the surrounding territories. In 1912 the company turned to the development of the cash-and-carry store and began the rapid opening of new stores besides the conversion of its old stores to that type.

One secret of A. & P.'s success was its ability to control its sources of sup-

Its first activities were in the tea and coffee field. It concentrated on this field. Today A. & P. is the largest importer and distributor of tea and coffee in the United States. The company maintains thirty offices in South America for the purchase of coffee, and has representatives in India, Ceylon and Java to buy tea. Its European agents purchase figs and dates in Arabia; olives, olive oil and pimentos in Italy and Spain; sardines in Portugal and Norway; marmalades in Scotland and currants in Greece.

Within the United States also the A. & P. carries many items direct from the producer to the consumer. Its men in the field arrange with producers of butter and eggs to ship from the Middle West directly to its warehouses.

There is an A. & P. office in California, under the direction of a representative who buys canned fruits from the various canneries; others in Wisconsin, Maryland and New York State buy canned vegetables, and one in Seattle to buy the canned salmon necessary in addition to that canned by A. & P.'s six Alaskan salmon canneries.

#### Operates Many Factories

In addition to these, the company operates many factories of its own, including the largest milk-condensing plant in the world, in Wisconsin, and a cannery and preserving plant at Brockport, New York.

It runs thirty bakeries and sold last year 500,000,000 loaves of bread. Its butter volume is 150,000,000 pounds: coffee, 140,000,000 pounds (of which, incidentally, 130,000,000 pounds were its own brands, Eight o'Clock, Red Circle and Bokar). More than 10 per cent of the salmon sold in this country, about 24,000,000 cans, are distributed by the A. & P.; tens of thousands of carloads of vegetables pass yearly over its counters.

In the last three years the company has started meat departments in many of its stores and these departments are being extended rapidly.

Although there are now 15,000 of (Continued on page 199)

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mpany many its are Weekdays—428,005 Sundays—706,927

Net paid sales of The New York Times, average for the six months ended Sept. 30, 1929, as reported to the Postoffice Department

COMPARISONS WITH CORRESPONDING PERIOD LAST YEAR

	Weekday	Sunday 706,927 697,337 9,590	
1929	428,005		
1928	418,687		
GAIN	9,318		

The high quality of The New York Times circulation is more significant than the volume. It is strictly a newspaper, offering complete, accurate, non-partisan news—the most comprehensive newspaper in the world.

# The New York Times

Net paid sale Sunday, September 29, 720,013; average weekdays for six days preceding 441,440

# Circulation Gains—

Steady, healthy, normal, positive gains in reader clientele—

Readers won without the aid of schemes, prizes, premiums or contests of any kind.

Readers gained that remain as readers—not for a day, a week, or a month—but for all time.

Readers that add potentiality to the already extraordinary responsiveness enjoyed by advertisers of worthy merchandise through the medium of the

#### Newark Evening News

Daily Average
CIRCULATION

(P. O. Statement, Oct. 1, 1929)

149,208

Copies

90% Home Delivered

#### Newark Evening News

Always Reaches Home

EUGENE W. FARRELL Business and Advertising Manager 215-221 Market Street, Newark, N. J.

O'MARA & ORMSBEE, INC.

General Representatives

New York - Chicago - Detroit

San Francisco - Los Angeles

#### Records that Spot the Man Who Is about to Hit a Slump

(Continued from page 168)

age daily operations over a months'

If any day's report is off color because the salesman relaxed, his weekly summary absorbs the irregularity in the six days tabulated. If a salesman is not feeling well, or for other reasons has a few days of poor operation, then the monthly summary absorbs this and thus his true daily average operation is shown. If his monthly summary shows any lack of effectiveness, one may be sure that it is not an accident, but a habit that needs prompt attention.

#### From Three Points of View

The district manager returns the weekly summary to the sales manager with his and the salesman's signature on it and the sales manager sends a carbon copy of this summary to the salesman's home with personal comments, while the original goes into the file to be later used in compiling monthly summaries, or control cards. Weekly summaries in the files are destroyed when monthly ones are completed, and the monthly summaries are destroyed when the control cards are complete. By this procedure the salesman's operations are brought to his personal attention from three points of view: his own examination, the district manager's comments and, finally, the sales manager's criticism when the copy is sent home, where possibly the salesman's wife learns why the breadwinner is not earning the bread she

Control cards are held only by the sales manager. They further show the qualitative analysis of the salesman's operations. For example, one sees at a glance the number of calls a sale, the average lost sales and the average commission earned a call, counting all calls made. The control card is the sales manager's key to the situation. He has on this card the quotas, total sales, commissions earned, list of customers and equipment sold.

The average way a salesman operated for the past three months is the way he will operate for the next thirty days. His productivity and success, his difficulties and capacity are thereby intelligently forecast a month in advance. The sales manager has an accounting system of a salesman's operations, based on facts. The guesswork is eliminated. Losses can be

checked before they occur. Salesmen can be saved before they go on the rocks. The best insurance for a minimum of mortality among salesmen is a successful salesman obtaining a satisfactory income and the best insurance for successful salesman and proper income is an accounting system of his operations.

A salesman came to the writer recently seeking a \$50 a week drawing account. His control card showed six months' operations and indicated he was in the "B" class of men who had been selling about six months. The average of a large number of men in this class showed a close uniformity of earnings at fifty-two cents a call made. This particular man averaged eight calls a day, or forty-eight calls a week, which yielded an earning capacity of exactly \$24.96 a week. He had been advised a new man must make at least twenty calls a day. This salesman was shown figures and offered what he was worth-\$25-a-week drawing account. In his case, the law of averages was accurate enough to assure the salesman \$50-a-week if he operated as a \$50-a-week man had to operate when new.

#### Showed His Weakness

Another man showed a fair number of calls, but the interviews a call, the evening calls and the closing attempts reported showed his trouble. He was working hard—on quantity.

There are many other helpful facts and bits of information available from this accounting system. For example, prospective salesmen can be shown the possibilities of the business for them individually. Most refrigeration salesmen are not efficient and satisfactorily productive until they have been selling a year. The control cards prove the results of sticking to the job and help to keep good men until they get over the hump. The same sort of operation accountancy is adapted for district managers or for supervisors. They use a district manager's daily log from which is made a monthly tabulation and comparison of any one supervisor with another. District managers' logs are summarized once a month.

By getting at the basic facts and fundamentals, the writer has cut mortality from 270 per cent a year to 70 per cent within ninety days for a distributor of a national organization. We found that 40 per cent of the men

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#### New York women

KITCHENLESS cliff dwellers, delicatessen dependents, movie maniacs, shopwindow stalkers, home hating Hazels, giddy gadabouts? Halt, Horace! You been reading too many of them short stories about mazda magdalens, chorus girl cuties and speakeasy sisters! Life ain't all like that in the Big City....

Pause over patterns a minute. Patterns? You know! Pieces of tissue paper. They pin them flat against fabrics, cut around the edges, and when the pieces are put together with a sewing machine, they turn out to be a dress that probably can be bought for less in any bargain basement. Yet 574,722 patterns were bought by New York women last year—from one newspaper. They wrote a letter and enclosed a dime for each pattern. They had to have sewing machines, and homes to work in. They were

also customers for dress goods, trimmings, coats, shoes, underwear, hats, handbags, cosmetics, electric irons, washing machines—and almost anything a department store sells and a home holds.

The newspaper was The News. It sells more patterns than any other newspaper in the country, and more than many women's magazines. About 70% of these pattern orders are signed "Mrs." and large sizes and children's clothing get a big play—proving that these pattern buyers are home purchasing agents. It reaches seven out of ten city families, and one-fifth of those in the suburbs—more homes and more women than any other publication circulated here.

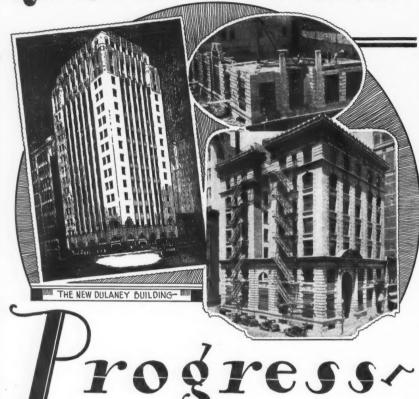
If you have anything to say—or sell—to New York women or homes, you need—

# A A A A THE NEWSPAPER



25 Park Place, New York + Tribune Tower, Chicago + Kohl Bldg., San Francisco

### FORT WORTH and West Texas



An old landmark being razed to make way for a modern, new office building. The picture shows the type of buildings being torn down at Fifth and Main Streets where the latest addition to Fort Worth's skyline is to go up.

The 16-story Dulaney Building, with its ultramodern architecture, will be one of the most attractive structures in the Southwest.

# The FORT WORTH STAR-TELEGRAM and Record Telegram

Circulation now over

130,000

Daily or Sunday

#### FORT WORTH STAR-TELEGRAM

#### Fort Worth Record-Telegram

Now More Than 130,000 Daily or Sunday—Largest Circulation in Texas

AMON G. CARTER
President and Publisher

A. L. SHUMAN
Vice-President and Adv. Dir.

Charter Member Audit Bureau of Circulation

dropping out of the business had no automobile. Fifty per cent dropped out within their first two months and 38 per cent within their first month, Between the ages of nineteen and twenty-five, the mortality was 75 per cent, while that of men above forty was practically the same. The mortality of men between twenty-six and forty years of age was only 30 per cent. These facts helped mould the policy of hiring, and helped reduce the abnormal mortality. Before a sales accounting plan was put into effect, 20 per cent of the men were turning in 80 per cent of the business. After the plan was in operation for six months, 40 per cent of the men were writing 60 per cent of the busi-

Sales courses, sales meetings, inspirational talks, sales bulletins, special campaigns—all have their place in effective sales management. But too few sales managers know essentials of successful sales management. The fundamental is largely the problem of an individual salesman contacting an individual prospect to make an individ-The sales manager's problem is the problem of the individual salesman. The facts must be obtained and the sales management accounting plan gives these necessary facts in a form that takes the guesswork out of sales management.

#### San Antonio Launches \$170,000 Campaign

San Antonio, Texas, will spend \$170,000 this fall and winter to advertise its advantages as a winter resort and to tell the opportunities in the San Antonio territory, which, it is explained, comprises half the State of Texas and Northern Mexico. The fund, provided by municipal taxation, replaces former advertising campaigns based on subscription by individual business men.

The campaign is largely directed to the Middle Western states and the Eastern seaboard—twenty urban newspapers being used, in addition to five magazines and one West Coast newspaper. Coulter & Payne, Inc., of San Antonio, are directing the camapign.

#### Walter Blaker Dies

Walter Harrison Blaker, founder of the Blaker Advertising Agency, Inc., died at his home in New York last week. Fifty-seven years old, Mr. Blaker devoted almost his entire business life to advertising—starting at fourteen as an errand boy for Goodrich & Hull, one of the first advertising agencies in New York. He was with this firm, later known as W. H. H. Hull & Company, for twenty-two years and then established his own company.

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To the man who plans Sales Campaigns

WHOLESALE AND RETAIL DISTRIBUTION

THE PROPERTY OF THE PROPERT

This book will give basic merchandising data for the entire U. S.—by states, by counties, by towns of 1000 and up.

A STUDY of ALL AMERICAN MARKETS

New Edition



AR MORE than the details of 100 principal trading areas is given in the new edition of "A Study of All American Markets."

With utmost ease you can assemble sales facts for any portion of the United States—standardized and up-to-the-minute. Twenty-four retail classifications are made, 7 wholesale, and 6 chain store. Population, savings accounts—all possible data is marshalled to permit you to route salesmen and plan campaigns with highest efficiency.

This book has been impartially produced and represents the net of thousands of dollars invested in research.

How to get your copy

The gratis distribution of this volume is limited to business executives who are interested in the utility of newspaper advertising. Inquiries should be written on business stationery and \$1 enclosed to cover postage cost and packing. Otherwise The 100,000 Group of American Cities reserves the right to charge the production cost of \$15 a copy.

#### The 100,000 Group of American Cities

400 West Madison Street, Chicago, Ill.

110 E. 42nd St., New York City

Akron, Ohio, Beacon Journal
Albany, N. Y., Knickerbocker Press
and Enemin News
and Enemin News
Albania, Ga., Journal
Albania, Ga., Journal
Baltimoth, N. Y. Fress and Leader
Birminghan, Ah., News-Age-Herald
Boston, Mass. Globe
Bridgeport, C. C., Post & Telegram
Brooklyn, N. Y., News
Buffalo, N. Y., News
Canton, Ohio, Repository
Charleston, S. C., Post-News and
Courier
Courier
Charlotte, N. C., Observer

Charleston, S. C., Post-News an Courier Charlotte, N. C., Observer Chiago, Ill., The Daily News Cincinnatt, O., Times Star Cleumbus, Ohio, Plain Dealer Columbus, Ohio, Dispatch Dallas, Texas, Times Herald Dayton, Ohio, News Denver, Colo, Post Des Moines, Ia., Register & Tribuse
Detroit, Mich., Neus
Detroit, Mich., Neus
Duluth, Minn, Herald
Elizabeth, N. J., Daily Journal
Elizabeth, N. Herald and Times
Erie, Pa., Dispatch-Herald
Evanscrille, Ind., Courier Journal
Evanscrille, Ind., Courier Journal
Evanscrille, Ind., Courier Journal
Fort Wayne, Ind., News Sentined
Fort Wayne, Ind., News Sentined
Fort Wayne, Ind., News Sentined
Fort Wayne, Ind., News
Hartford, Conn., Times
Houston, Tex., Chronicle
Houston, Tex., Chronicle
Jacksonville, Fla., Florida Times-Union
Jersey City, N. J., Jersey Journal
Kansas City, Mo., Star
Knoxville, Ten., Journal
Lawrence, Mass, Eagle & Tribuse
Lutter Rock, Arks, Arksnas Democrat

Long Beach, Calif., Press Telegram
Los Angeles, Calif., Times
Louisville, Ky, Courier, Journal and
Times
Lowell, Mass., Courier, Cititien
and Leader
Lynn, Mass., Item
Memphis, Tenn., Commercial Appeal
and Evening Appeal
Miami, Fla., Herald
Milwaukee, Wio., Journal
Milwaukee, Wio., Journal
Minaepolis, Minn., Journal
Nashville, Tenn., Tennessean
Newark, N. J., News
New Ark, N. J., News
New Haven, Conn., Register
New Haven, Conn., Register
New Orle, N. Y., The New York
Times
Norfolk, Va., Ledger and Dispatch
Oakland, Calif., Tribune
Oklahoma City, Okla., Oklahoman

Omaha, Neb., World Herald
Paterson, N. J., Press, Guardian and
Chronicle
Peoria, Ill., Journal Transcript
Philadelphia, Pa., Evening Bulletin
Philadelphia, Pa., Evening Bulletin
Philadelphia, Pa., Press
Pateburgh, Pa., Press
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Pateburgh, Pa., Pateburgh, Pateburgh, Pa.
Pateburgh, Pa., Eagle
Richmond, Va., Times Diapatch
Salt Lake City, Utah, Tribune
Sar Tames, Va., Pateburgh, Pioneer
Press
San Antonio, Tex., Express & News
San Diego, Calif., Chian & Tribune
San Francisco, Calif., Chian & Tribune
San Francisco, Calif., Chian & Tribune
San Francisco, Calif., Chian & Santonio, Tex., Times
Santo, Va., Times
Santo, Va., Jones, Journal
Sioux City, Jowa, Journal

South Bend, Ind., Tribune
Spokane, Wash., Spokerman Review
& Chronicle
Springheid, Mass., Springheld
Newspapers
Syracuse, Ny, Herald
Tacoms, Wash., News Tribune & Ledger
Tacoms, Wash., News Tribune & Ledger
Tooledo, Ohio, Bladen
Trenton, N. J., Times and Times
Advertiser
Troy, N. Y., Record
Tulsa, Okla, World
Utica, N. Y., Observer-Dispatch
Washington, D. C., Star
Waterbury, Conn., Republican and
American
Wilker-Barre, Pa., Times Leader
Wilker-Barre, Pa., Times Leader
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Wornster, M. Del., Journal and News
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HECKING OVER PRODUCTION: One of the greatest obstacles to sane regulation of supply is the reflection of curtailment in the production cost This fact was brought out clearly in the recent annual address of Walter D. Hines, president of the Cotton-Textile Exchange. He warned manufacturers against the delusion that they make money by spreading expenses thinly over volume expanded beyond the market's requirements. Too many mill owners fail to look far enough ahead, or else they gamble on the chance that somehow they will have the exceptional luck to escape the blight of surplus stocks. They are not yet in step with the modern policy of keeping factory quotas in close touch with consumer demand. . . . The practical value of this policy is now being illustrated in the automobile industry. Under the stimulation of unprecedented output figures for the first half of this year there was urgent temptation, not always resisted, to pass the bounds of prudence. In the main, however, a wise restraint seems to have been exercised. It was realized that the great increase in cars was coming from the Ford plants and that any attempt to keep relative pace with them could end only in disaster. The words of caution now being uttered may have been needed in some quarters but it is evident that leading automobile manufacturers have not been blind to the significance of the Ford revival. To have held their own without demoralization while the lowest priced cars were coming out in a new flood, at the rate of more than a million above last year's supply, was an achievement of no mean proportions. . . . It may be too soon to say that the perils of overproduction have been passed this year but there is strong evidence to support the belief that the situation is in hand.

RIFLING WITH "ATTENTION": Ira E. Robinson, chairman of the Federal Radio Commission, predicts a revulsion on the part of listeners against programs made up of direct selling talks and price lists. Other authorities say there were no complaints as long as the broadcasting companies made themselves responsible for features in the air. Dissatisfaction began, these critics say, when representatives of the advertisers sought to take charge of the proceedings. Meanwhile advertisers are asking for facts about audiences. They wish to know how many persons they connect with in the "time" they buy at rather stiff rates. They are asking for something like a bureau of circulations to count and locate the receiving sets that are turned on to get their stuff. . . . Criticism of this sort was common enough in the early stages of radio broadcasting but it fell on deaf ears then because the phenomena of sound waves were still wonderful. Now that the invisible speaker has become a familiar household companion we heed him only when he has something to say that we wish to hear. . . . The managers and users of the older advertising media have to deal with a similar problem. The publisher's stock in trade is public attention. It is his business to get and hold the interest of readers. All that he can offer his customers is a chance to share that interest. If radio broadcasting is to retain its place as an advertising medium the companies that control it and the advertisers who use it must get back to fundamentals in their conception of its function. The position of the companies is not an easy one. They maintain broadcasting stations at great expense, and the revenues derived from the advertisers were intended primarily to lighten this burden. The main purpose of the stations was to increase the attractions of receiving sets by providing popular programs. In allowing the advertising to absorb too great a share of the proceedings the companies run the risk of injuring the whole radio industry.

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ISTRIBUTION COORDINATION: Lee H. Bristol's address at the annual convention of the Association of National Advertisers reflects the growing tendency to concentrate attention on the problems of distribution. Everyone seems to have agreed that comparatively little has to be done to facilitate production. It is the difficulties in the way of marketing goods that must now be dealt with, and it is in this field that there is most need of constant vigilance to keep pace with the rapidly changing trends in the tastes and buying habits of the people. . . . Mr. Bristol visualizes a normal organization in which the major functions-finance, production, and sales-are properly aligned. The first two he assumes are fairly settled in their respective duties. The sales department, he thinks, may be in need of closer coordination. To this end he proposes a working arrangement under direction of a "distribution director" supported on the one hand by a sales manager and on the other by an advertising manager, all seeking the same goal by means that are in complete harmony-each part of a coherent whole-resulting from mutual understanding and knowledge of each other's activities. . . . In many large corporations some such procedure as Mr. Bristol describes is now followed under the leadership of a vice-president or other high executive in charge of sales. The title he proposes has the merit of indicating breadth of scope and methods of particular interest to industry at this time. It should serve also to bring laggards into line. Nothing is more conducive to blunders and wasted or abortive effort than scattered action where coordination is essential to effective results. Especially is this true when sales and sales promotion are conducted on independent lines or under supervision that is nominal Under the plan outlined by Mr. rather than actual. Bristol so thorough a coordination is provided that anything short of perfect team play would ( be impossible.

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# TO EVERY MAN who has ever considered

# a Course in Business Training



An airplane snapshot of the valuable Baker properties in Minneapolis. Mr. Baker is still in his thirties; four years ago he was a salesman.

WHAT is the reason for the astonishing growth of the Alexander Hamilton Institute?

Advertising didn't do it. Advertising, alone and unaided, could not possibly account for such a phenomenal success.

Salesmanship didn't do it. Even the corps of trained advisers who represent the Institute could not have succeeded if there was not a fundamental need for the service they offer.

If there is one outstanding reason for the Institute's remarkable success, it is this: Men who have benefitted by this training become its voluntary salesmen, and continue to tell their acquaintances about it for the rest of their lives. Here is an incident that is characteristic:

A few weeks ago we received a letter from Walter E. Johnson of Minneapolis, a man who had already become a millionaire at the early age of 39.

Mr. Johnson, who is Vice-President of the Burma-Shave Corporation, is not an Institute subscriber. He has no need for Institute training, for last summer he attended the Harvard Graduate Business School at Cambridge. (If every man could leave his business and do this, the Institute would not exist. The Institute was founded to make university business training available to men who haven't time to go back to school.)

"I was talking the other day," Mr. Johnson's letter reads, "to Morris T. Baker, who is President of the Morris T. Baker Company, and the outstanding real estate operator in Minneapolis.

Read what he says of the Institute Course. "Mr. Baker told me that he is one of your graduates. He gives the Institute credit for a great deal of information which he otherwise would never have had. In fact, he told me that he keeps a set of Institute texts

on his desk and even now refers to them frequently.

"Mr. Baker is a young man in his thirties, and one who reflects real credit on your Institute. I take this opportunity to congratulate you, and to say that I make use of every opportunity to recommend your training to progressive men of my acquaintance."

In this double success story, men who read this page will note some unusual facts. Both of these men are millionaires; both are under 40. Only one of them is an Institute subscriber - but both are trained men.

Do you want to have the joy of succeeding while you are still young enough to enjoy the good things of life? For years the Alexander Hamilton Institute has specialized in the single task of training men for the higher executive positions of business.

Into its Courses have been built the experience and the methods which have made many of today's

business leaders successful.

Its subscribers appropriate the knowledge of other men, and profit by other men's mistakes and successes. They learn in months what ordinarily takes years.

#### Send for the Facts

Any man who is sincerely interested in his future will clip the coupon at the bottom of this page. The book which the coupon will bring is "Forging Ahead in Business" - an interesting book that tells how the Institute has helped so many men to find success while they are still young. It includes the facts about the Institute's much-talked-of new Courses in Production Management, Marketing Management and Finance Management. There is no obligation of any kind; send for your copy now.

#### ALEXANDER HAMILTON INSTITUTE

Executive Training for Business Men



A	EXANDER HAMILTON INSTITUTE
92	Astor Place, New York City
Bu	nd me the latest edition of "Forging Ahead in isiness," together with full information about the w Management Courses.
N	ME
Bu	SINESS ADDRESS
****	
Bu	siness Position



#### An Ideal Test Market

Because The Booth Newspapers reach practically every home in the city of publication as well as most of those in the adjacent territory, and because The Booth Newspaper Area has a population of 1,350,000, with more than 121 cities and towns varying from 1,000 to nearly 200,000. It offers an ideal test market. It will pay you to investigate the advantages offered here.

Combined Net Paid Circulation as Reported to A.B.C. for Period Ending Sept. 30, 1929

281,668

Grand Rapids Press
Flint Daily Journal
Saginaw Daily News
Kalamazoo Gazette
Jackson Citizen Patriot
Bay City Daily Times
Muskegon Chronicle
Ann Arbor Daily News

I. A. KLEIN 50 East 42nd St. NEW YORK J. E. LUTZ 180 N. Michigan Ave. Chicago

#### Booth Newspapers, Inc.

Central Office, 2500 Buhl Bldg., Detroit, or any newspaper listed

#### Frigidaire "Bulls" Smash Million Dollar Quotas in Stock Contest

(Continued from page 163)

personal quotas. If the group made more than 100 per cent, the stock would be worth just that much more, and if it made less than 100 per cent the stock would be worth just that much less. This was a speculative feature which caused the quotations to fluctuate widely on the "Frigidaire Exchange" from day to day.

For example, if "Pacific Coast

For example, if "Pacific Coast Amalgamated" had sold \$1,500,000 worth of refrigeration units during the contest, its stock at the close of the period would have been worth 150 per cent, or 30 cents a share, and any dealer or salesman in any sales district in that group who had made his individual quota would have been privileged to cash his stock at that price. If, on the other hand, the group has sold only \$900,000 worth of business, its common stock would have been worth only 90 per cent, or 18 cents a share, to salesmen and dealers in that group, even though they had passed their personal quotas.

In any event, those who failed to make their individual quotas got nothing but their regular commissions.

#### Market Fluctuations

Quotation boards were set up and the values of the fifteen different stocks were computed semi-weekly, then flashed to the men in the field in the form of market letters and ticker tape. The market prices fluctuated widely and this fact served to maintain interest at a high pitch throughout the contest. The highest quotation any group's stock attained was 29½ and the low was 11½. As might have been expected, some of the "stocks" opened high and remained well above par from beginning to end of the contest, while others "opened up down" and were frequently heavy.

Supervisors and field men received one share of preferred stock for a certain number of common shares issued to their salesmen and dealers. The ratio usually was one to ten, but in certain cases it was fixed to suit special conditions. Preferred stock paid dividends of forty cents a share to supervisors and field men who made their contest quotas. This dividend was not affected by the fluctuations in the common stock.

All this and more was outlined and explained in a big broadside which was sent out prior to the opening date

of the contest. A good feature was a convenient little book of rules which accompanied the opening announcement, making it unnecessary for one to refer to the broadside from time to time when he had occasion to look up some point. The booklet was also convenient for keeping lists of prospects, sales, and stock quotations, as ruled pages were provided.

All promotional material used during the contest emphasized the stock market theme. There was a quotation board in each district office, there were market letters, tips, and other market properties, including sections of ticker tape on which quotations on "Frigidaire Stocks" were typed in approved form, and the stock certificates looked as if one might secure a loan on them at the bank. It was a "big bull mar-ket," as one would readily infer from seeing a drawing of a bull chasing a bear on some of the bulletins and circulars, to say nothing of the florid stock market terminology that characterized all the copy. One circular sent out to urge salesmen to send in lists to be circularized with direct-mail, for example, assured them that, "You can buy a big corner in Direct Mail for a very small investment. It's giltedged proposition—no speculation. Be a bull and you'll take a big profit at the end of the month."

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#### Three-fold Opportunity

Sales made during the contest counted toward qualification for membership in the "B. T. U. Club," which membership is dependent on making a certain amount of sales during the year. The contest, therefore, offered a three-fold opportunity to Frigidaire selling men; an opportunity to earn a larger amount in commissions, to earn extra cash dividends on their "stock," and to qualify for membership in the club.

A rather unusual feature of the contest was the way in which sales districts worked with one another instead of competing with one another as they usually do in sales contests. Intergroup rivalry lent zest to the competition, while neighboring sales districts were dependent upon one another to boost the price of their common group "stock" to the highest possible point.

Interest throughout the period is said to have been exceptionally keen and results evidently were quite satisfactory, as the \$15,000,000 quota for the country was exceeded.

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# I Guess We'll Have to Do a Little Plain and Fancy Boasting!..

# LOS ANGELES EXAMINER PUT YOUR MESSAGE BEFORE THE MODERNS

#### REACHING THE BUYER IS HALF THE SALE



#### PREFERRED POSITION-NEXT TO BUYING

#### Major Products Advertised on Criterion Boards

Cloverbloom Butter Borden's Evaporated & Condensed Milk Ipana Tooth Paste Carnation Milk Coca-Cola Hecker's Flour Red Cross Plasters Johnson & Johnson **Baby Powder** Sapolio Camel Cigarettes Reckitt's Blue Green River Snowdrift Schlitz Malt Syrup Ward's Bread and Cakes **CN** Disinfectant Wrigley's Gum Werko Washing Powder Mavis Tolley's Cake Majestic Radio **Old Master Coffee** Mail Pouch Tobacco **Dayton Tires** Mohawk Tires Grape-Ola

St. Louis Globe-Democrat

**Diamond Crystal Salt** 

Kinney Shoes H. J. Heinz Products

Citrus Washing Powder

and Soaps

Old Witch Ammonia

reach continuous daily neighborhood circulation—people who buy regularly in the neighborhood stores on which the posters appear.

Where is a better place for daily reminders to them — what is a better time—than on their way to stores? Especially the housewife, on her daily marketing trip.

No. 11 of a series, inviting attention to twenty unique features of Criterion National Neighborhood Posting. Criterion Service, Graybar Building, New York City.

#### CRITERION SERVICE

The Original and Only Uniform National Service of 3-sheet Neighborhood Posting



CRITERION SERVICE, GRAYBAR BUILDING, NEW YORK CITY
Please send us the portfolio advertised in Sales Management.

Company	Name
Address	
Attention	ofTitle

#### Four More Executives Advise Chicago Manager

(Continued from page 170) was discovered that we sold to chains, and I can give two instances to substantiate that belief.

"During the World War one of the thread manufacturers of the United States secured some very important German dye formulae and enjoyed a rapidly growing business with retailers all over this country. The thread had merit, there was no gainsaying that, but when the large department stores discovered that the manufacturer accepted large orders from one of the largest ten-cent store chains in the country and that the chains were selling the same thread they were handling over their more or less exclusive counters, they withdrew their trade from that manufacturer, saying, 'We are not in competition with ten-cent stores.' They placed their trade in the hands of another American manufacturer whose embroidery thread most nearly approximated that of the former manufacturer until the second manufacturer also sent orders to another great chain. Now embroidery cottons for the big department stores are being imported from Germany and France to a large extent.

#### In Mass Distributor's Pocket

"Of course you understand that neither the first manufacturer nor the second was obliged to close his doors because of the loss of trade involved, but they are left in the pockets of the mass distributor, and that is exactly where we do not intend to be. It amounts to putting your eggs all in one basket, and that, as anyone can tell you, is very, very dangerous business.

"If the chains grow in power to the point where a manufacturer is forced to sell to them or take desperate measures to avoid it, the manufacturers themselves will combine congenial lines of goods to operate their own retail outlets, and enter into direct competition with the retail chain stores. This is still in the future. I hope it never does reach that point, but we for one are making careful surveys of retail conditions all over the United States and are laying careful plans to take care of such an emergency if it should arise."

(Other answers to the problem appeared in the issues of September 14, 21 and October 5.)

The Institution Buyer, a monthly publication, has been established by the Institution Publishing Company, New York.



#### WHITE WINGS OF COMMERCE

VISION, courage, confidence and the urge for growth and expansion have dispelled the darkness of the seas and united all lands. Captains of industry are made of similar stuff.

The Sterling Engraving Company is adding another chapter to its history of progressive development. At the hub of the graphic universe, in the Grand Central Zone, Sterling occupies some thirty thousand square feet of floor space fully equipped with the most modern machinery and facilities for the making of photo-engraving plates—satisfactory pictorial reproductions. Art Departments skilled in commercial problems are at your service.

#### STERLING ENGRAVING COMPANY, NEW YORK CITY

TWIN PRODUCTION PLANTS, OPERATING DAY and NIGHT

475 Tenth Avenue, McGraw-Hill Building Telephone MEDallion 1900

304-320 East 45th Street, Allied Arts Building Telephone VANderbilt 7661-2-3-4-5-6



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## advertising copywriter

some moderatesized agency

or manufacturer of women's-appeal merchandise

will appreciate the services of this resourceful Young Woman... who has a keen merchandising sense... who can write sales-stimulating advertising copy, dealer helps, booklets... make layouts, handle production. She has had agency and department store experience. Available November 1st or 15th. Write Box 203, Sales Management, 420 Lexington Avenue, New York, N. Y.

#### Hotel SYRACUSE SYRACUSE, N. Y.



ESSENTIALLY a hotel for the traveling business man. 600 outside rooms, each with bath. Rates \$3.00 up. Sample rooms \$4.00 up.

ROY P. BRAINARD, Managing Director

POWERS HOTEL - ROCHESTER, N.Y. Under Same Management

# Wanted! FULLY EXPERIENCED, CAPABLE SALES EXECUTIVE

with thorough, practical knowledge of modern merchandising of food products, preferably biscuits and confectionery, to be Sales Manager in long established and successful Canadian company. Canadian preferred, but not essential.

This man must have complete mastery of sales organization—sales promotion and sales control, and will be expected to produce results. State age, details of experience and salary expected.

SALES MANAGER c/o A. McKim, Limited, Winnipeg, Canada

#### Business Paper Publishers Discuss Problems of Industry at Chicago

(Continued from page 176)

President, Norman Shidle, editorial director, Chilton Class Journal Company; treasurer, E. L. Shaner, editor, Iron Trade Review. Thomas Ormsbee was reelected secretary and the following were elected to the board of directors: Arthur Anderson, John M. Carmody, Sidney Kirkpatrick, editor, Chemical and Metallurgical Engineering; H. L. Southall, McLean Publishing Company; Samuel O. Dunn, Stanley Dennis, editor Electrical Record, and Douglas Woolf, editor, Textile World.

At the Tuesday afternoon session, Warren Platt, vice-president of A. B. P. and publisher of National Petroleum News, presided. O. C. Harn, A. B. C., told of some of the current matters receiving consideration of the members of A. B. C.

William M. Lebrecht, advertising manager of *Boot and Shoe Recorder* and chairman of A. B. P. publicity committee, then described the A. B. P.'s \$250,000 advertising program which will be launched shortly and which will be conducted by the G. Lynn Sumner advertising agency. His remarks were supplemented by Robert K. Leavitt of the Sumner agency.

#### Tells of Direct Mail Service

G. C. Buzby, Chilton Class Journal Company, outlined the direct mail opportunities for business papers in the course of which he explained how his company has dovetailed this type of sales promotion with business paper advertising to the advantage of many customers. He stated the users of this direct mail service exceeded in number the advertisers in any one of the company's publications.

John R. Hannon, circulation manager of Porter-Beebe-Langtry publications, closed the afternoon session with a talk on how the circulation manager controls paid circulation.

The annual banquet, Tuesday night at the Blackstone, was presided over by President Musselman. Howard C. Dunn, chief of Domestic Commerce Division of the Department of Commerce, made the first talk, on "Charting the Seas of Distribution," during which he illustrated by many specific examples how definite knowledge, which has long been a prerequisite in production, has more lately also become a prerequisite of distribution, and whereby such evils as wasteful

inventory and volumitis can be avoided and also pace kept with constant changes in the dealer-merchant relationship.

Hon. Christie Benet, general coun. sel of the National Cottonseed Products Association and former senator from South Carolina, spoke on how business can help to improve trade practice. He expressed the opinion that the greatest factor in improving trade practice is self-regulation, which really means self-examination. He also emphasized the importance of constant repetition and simplicity of presentation as two essentials of all crusade work in behalf of eliminating unfair trade practices and indicated his belief in business papers as the most effective instrument to educate industries, from the smallest to the largest, to eliminate those practices which, if done by all, would be obviously detrimental to the industry.

#### Talks on Investment Trusts

Leland Rex Robinson, president, Second International Securities Corporation, then described the various types of investment trusts and holding corporations, urging the press to make proper distinction between the type of investment trust that does not seek to control or manage and the type of holding corporation which is being used to extend the business power of certain large banks and investment banking houses and to extend ownership such as the railroad and bank holding corporations. He pictured the public participation on a large scale in stocks as a humanizing of finance in that the stock holdings of the individual represent a more or less infinitesimal partnership. He extolled the type of investment trust which deliberately avoids special interest such as control and management as a factor of major importance in effecting the equivalent of wide distribution of securities and as a stabilizing factor in the value of securities.

Philip L. Thompson, director of public relations, Western Electric Company, closed the evening's program with a talk on the latest developments in and uses of talking moving pictures, with particular reference to the advancement of industry, commerce and the professions. His talk was supplemented by an exhibition of talking film.

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#### A. & P. Achieves Billion Dollar Sales Volume

(Continued from page 186)

the familiar red-front stores, and their number has increased by leaps and bounds, particularly in the last ten years, the present tendency is to increase the size rather than the number of the stores.

So great has become the executive responsibility that the system is now operated through six divisions, each under its own president. Fifteen thousand is not a very large proportion of nearly 350,000 or more grocery stores in the United States. A. & P.'s volume, however, is relatively much larger. Although the company operates only about one in every twenty-three stores in the country, it does about one-twelfth of the work of supplying the nation's food at retail. It has been influential, too, in setting an example for independents and other chains in store buying, store promotion and store management.

The company's own advertising program, chiefly in local newspapers, costs \$6,000,000 annually. A. & P.'s initiative has also been a factor in stimulating advertising by independent and chain competitors. The company is running an institutional campaign in magazines and the radio programs of the A. & P. Gypsies are the second oldest commercial broadcast on the air. Three hundred and fifty thousand dollars is being spent in magazines and \$280,000 for radio.

A. & P.'s advertising campaign has been expanding since 1925 at the rate of about \$1,000,000 a year. In 1925 its appropriation was less than \$2,-000,000. A year later this was increased to \$3,000,000. In the three years since 1926 the appropriation has doubled.

It has been active, too, in stimulating the business of national advertisers -becoming, as it has, the largest retail outlet for advertised goods in the

#### Survey of Surveys

(Continued from page 154)

Literary Digest, Ladies' Home Journal. Pictorial Review, Woman's Home Companion and Delineator. Unfortunately, Good Housekeeping and McCall's (usually included in such tables) were omitted in this otherwise very interesting comparison. Finally come the usual data on wholesale and retail outlets in towns of 1,000 and over in the suburban area, and of 2,000 and over in the "trading area"; a resume of the merchandising service of the Times. Picayune, a list of available (and, thank Heaven, dated) market surveys and interviews on a wide range of retail subjects and a detailed street map.

#### JO slums or tenements in Omaha —a city thoroughly covered by

#### THE OMAHA WORLD-HERALD

Nebraska's Great Home Newspaper

O'MARA & ORMSBEE

National Representatives

New York CHICAGO Los Angeles

SAN FRANCISCO DETROIT

### -Texas-

The state that requires more than 4 papers to give adequate coverage.

#### **BEAUMONT**

The 5th city in Texas in distribution and sales importance. Therefore, always include the

BEAUMONT ENTERPRISE AND THE BEAUMONT JOURNAL

Home delivered throughout Southeast Texas and Southwest Louisiana

"Ask BECKWITH, He Knows"

#### Most Local and National Advertisers

Two \$1,000,000 bridges now under construction to take care of great industrial expansion now under way in Greater Peoria.



. . . find The Journal-Transcript adequate to cover Central Illinois.

"You really need nothing more -You can't afford to use less."

**PEORIA** JOURNAL-TRANSCRIPT Covers 4 out of 5 Homes

C. H. EDDY & CO., Natl. Rep.

CHICAGO, NEW YORK, BOSTON

#### SALES QUOTAS

By PERCIVAL WHITE

This volume has been written to assist the sales manager in meeting the growing competition in business through the use of sales quotas. It is the first complete statement of the underlying theory of various kinds of quotas, the use of market analysis, the application of scientific methods to quota setting and the quota in operation and practice.

The subject matter is grouped under five natural divisions:

I. Introduction.

II. The Market As a Quota Determinant.

V. An Example of Quota Practice.

V. An Example of Quota Practice.

Consists of 254 pages, including 56 charts, diagrams, etc.

Price, postpaid, \$4.00

#### SALES MANAGEMENT

Book Service

420 Lexington Avenue

New York, N. Y.

#### Sales Management Weekly Index to Motor Activity

(Average of years 1924-28, inclusive, equals 100)

1					
Year 1929	)	Year 1928	3		
Jly. 6	138	Jly. 7	120		
Jly. 13	138	Jly. 14	128		
Jly. 20	138	Jly. 21	130		
Jly. 27	136	Jly. 28	133		
Aug. 3	136	Aug. 4	131		
Aug. 10	136	Aug. 11	134		
Aug. 17	134	Aug. 18	136		
Aug. 24	136	Aug. 25	141		
Aug. 31	140	Sept. 1	138		
Sept. 7	140	Sept. 8	132		
Sept. 14	139	Sept. 15	130		
Sept. 21	145	Sept. 22	145		
Sept. 28	135	Sept. 29	144		
Oct. 5	125	Oct. 6	143		
Oct. 12	124	Oct. 13	142		
Oct. 19	123	Oct. 20	140		

The exact sources of data on which the SALES MANAGEMENT Weekly Index of Motor Activity are based cannot be completely explained or disclosed for the reason that much of the information used is obtained in confidence. The computation itself is entrusted to one of the leading economists and statisticians of the automotive industry.

The principal factor involved is that of

The principal factor involved is that of factory consumption, the data being used along this line involving approximately 25 per cent of the total production of the motor car industry. Inasmuch as production of automobiles is adjusted to retail sales at relatively short intervals of time, this index really portrays to some extent the trend of motor car retail sales as well as of motor car production. The volume of business transacted by the automotive industry, including its tremendous consumption of many and varied types of products as glass, steel, paint, cotton, copper, etc., gives this index of motor activity much significance from the standpoint of the business of the country at large. The fact that it can be obtained weekly also contributes to making it one of the most valuable indices to general business conditions that have been thus far developed.

#### Looking On

(Continued from page 162)

The United States is essentially prosperous now. It can be kept prosperous if our financial genii do not try to wield their multiplied power without a keen understanding of the public mind. The financial leaders of today and tomorrow must also be moral, intellectual and social leaders if their ascendancy is to be constructive and enduring. That is the only right answer to What price power! Fortunately, America, perhaps in greater number than any other country, has born and bred such men.

B. D. Adams has been appointed advertising director and assistant general sales manager of the Detroit Aircraft Corporation. He has been in charge of sales and advertising of the Ryan Aircraft division.

#### Personal Service and Supplies

Classified Rates: 50c a line of seven words; minimum \$3.00. No display, Cash Basis Only. Remittance Must Accompany Order.

#### POSITION WANTED

CAPABLE ASSISTANT AVAILABLE for Sales or Advertising Manager. Creative ability and unusual capacity for work. Trained correspondent, can get action with letters. College and special training in advertising. Practical selling experience, Age 25; married; family; now employed. Wants permanent connection with opportunity. Address Box 204, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

#### **EXECUTIVES WANTED**

IF YOU ARE OPEN TO OVERTURES FOR new connection, and qualified for a salary between \$2,500 and \$25,000, your response to this announcement is invited. The undersigned provides a thoroughly organized service, or recognized standing and reputation, through which preliminaries are negotiated confidentially for positions of the calibre indicated. The procedure is individualized to each client's personal requirements; your identity covered and present position protected. Established nineten years. Send only name and address for details, R. W. Bixby, Inc., 118 Downtown Building, Buffalo, N. Y.

#### SALES EXECUTIVE WANTED

INCOME AND OPPORTUNITY—A SOUTHwestern organization has room for a capable sales executive who can not only manage and direct a sales torce but who has the personality and ability to sell personally the largest and choicest accounts. Considerable educational work has been done on prospects so that a real leader and salesman can

secure immediate results. Splendid cooperation can be guaranteed from other members and officers of this organization. Some salesmen are now available but need training and others must be added. No traveling outside of the State is necessary. A straight commission and a liberal one paid on personal sales and on orders from the sales force. The possibilities of splendid income plus the opportunity of contacting largest companies in this state should make this proposition of major interest to any capable sales executive. Address Box 202. SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

#### SALES PROMOTION

\$50 to \$50,000 DAILY SALES SECURED FOR our clients. This distributor took on a new specialty, retailing at \$60. His first purchase \$12. We submitted a sales program capable of national expansion. Within four years his sales were nation-wide, running to \$100,000 monthly. 35 years salesmanship-in-print experience back of our campaigns. Submit Sales problems for tree diagnosis. 10 years Sales Promotion Manager, Larkin Co. James C. Johnson, 119 Woodbridge Ave., Buffalo, N. Y.

#### SALESMEN WANTED

FORTUNE IN AIRPLANE SALES—UNDER this plan a salesman should sell at least one Eaglerock a month—a net monthly income for him of from \$1,000 to \$1,500. Our two weeks' free sales training course makes you ready to get the money. We equip salesmen who qualify with a free demonstrator Eaglerock. You can offer buyers an easy plan of time purchase. Write for details. Alexander Aircraft Co., Dept. 16, Colorado Springs, Colo.

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### "GIBBONS ISHOWS CANADA" J.J.GIBBONS Limited Advertising Agents Variouver Variouver Hamilton London Eng. New York Office 2152 Graubar Bido. Thomas L. Brioga, Manager for United States



"I see by The Oregonian" is one of the most frequently used phrases in The Oregonian Market. People have been saying it with confidence for over three-quarters of a century . . . From 1850, when The Oregonian was distributed by a single horseback rider, to 1929 when a fleet of Oregonian delivery trucks covers 30,000 miles a week, The Oregonian has been intimately identified with the growth and progress of what is now the nation's fifth richest per capita market . . . With the largest circulation and lowest milline rate of any Portland newspaper, plus complete reader confidence, The Oregonian is unquestionably your first and best advertising buy in Oregon and Southern Washington.

# Oregonian

PORTLAND, OREGON

The Preferred Newspaper of the Pacific Northwest

Circulation: Over 108,000 daily; over 171,000 Sunday

Nationally represented by VERREE & CONKLIN, Inc.

New York, 285 Madison Ave.

1929

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Chicago, 333 N. Michigan Ave.

San Francisco, Monadnock Building

Detroit, 321 Lafayette Blvd. "where," "why," and "how" and sometimes "how much." Valiant aids in the writing of specific copy!"

Warren E. Kraft, Vice-Pres., HONIG-COOPER COMPANY, Seattle, Washington., In ADVERTISING & SELLING, February 20, 1929



# BUT N. P. N. Editors must also emphasize ... "HOW SOON?"

Edited from TULSA, OKLA. World Building CHICAGO 35 E. Wacker Drive NEW YORK 342 Madison Ave. HOUSTON, TEX. Gulf Building

Published from CLEVELAND 1213 W. Third St.



National Petroleum News editors must add to Kipling's "six honest serving men" a merciless taskmaster named SPEED—speed in getting the exact facts from the scene of action, speed in getting them to the home office, speed in rushing them into print and on their way to

the near and far corners of the Oil Industry.

In the Oil Industry "old news is no news." That is why National Petroleum News pays out in annual telegraph and telephone tolls more than the entire yearly editorial expense of many a lesser business paper.

NATIONAL PETROLEUM NEWS

HUMAN INTEREST INSURES READER-INTEREST